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10 IN THE UNITED STATES BANKRUPTCY COURT

11 FOR THE DISTRICT OF OREGON

12 In re:

Bankruptcy Case

No. 10-60500-fra11

13 McGrath's Publick Fish House, Inc.

14 Debtor.

**DEBTOR'S FIRST AMENDED  
DISCLOSURE STATEMENT  
(Dated June 8, 2010)**

TABLE OF CONTENTS

1		
2	I. INTRODUCTION AND SUMMARY OF PLAN .....	4
3	A. INTRODUCTION .....	4
4	B. BRIEF EXPLANATION OF CHAPTER 11 .....	6
5	C. SUMMARY OF PLAN .....	7
6	II. VOTING PROCEDURES AND CONFIRMATION OF A PLAN .....	9
7	A. BALLOTS AND VOTING DEADLINE .....	9
8	B. PARTIES ENTITLED TO VOTE .....	11
9	C. VOTES REQUIRED FOR CLASS ACCEPTANCE OF THE PLAN .....	12
10	D. "CRAM DOWN" OF THE PLAN .....	12
11	E. CONFIRMATION HEARING .....	12
12	III. BACKGROUND AND GENERAL INFORMATION .....	13
13	A. McGRATH'S PUBLICK FISH HOUSE, INC. AND McGRATH'S	
14	PROPERTIES, LLC .....	13
15	B. RESTAURANTS .....	17
16	C. OTHER REAL ESTATE .....	25
17	D. OTHER SECURED CREDITORS .....	25
18	E. MANAGEMENT AND COMPENSATION .....	26
19	1. Key Management Personnel .....	26
20	2. Consultants .....	27
21	3. Affiliated Persons .....	28
22	F. FINANCIAL PERFORMANCE .....	28
23	IV. THE BANKRUPTCY CASE .....	29
24	A. THE FILING .....	29
25	B. "FIRST DAY" MOTIONS AND OTHER OPERATIONAL ORDERS .....	29
26	C. POST-PETITION DEVELOPMENTS .....	30
27	D. UNSECURED CREDITORS COMMITTEE .....	31
28	V. ASSETS AND LIABILITIES .....	31
29	A. ASSETS .....	31
30	B. LIABILITIES .....	32
31	VI. DESCRIPTION OF PLAN OF REORGANIZATION .....	33
32	A. CLASSIFICATION AND TREATMENT OF CLAIMS .....	33
33	B. EXECUTORY CONTRACTS AND UNEXPIRED LEASES .....	48
34	C. IMPLEMENTATION OF THE PLAN .....	49
35	1. Operations .....	49
36	2. Management .....	50
37	3. Amended Loan Documents .....	50
38	4. Security Interest in Debtor's Stock .....	50
39	D. FEASIBILITY .....	51
40	VII. EFFECT OF CONFIRMATION .....	52
41	A. DISCHARGE .....	52
42	B. REVESTING, OPERATION OF BUSINESS .....	52
43	C. INJUNCTION .....	52
44	D. MODIFICATION OF THE PLAN; REVOCATION OR WITHDRAWAL OF	
45	THE PLAN .....	53
46	E. RETENTION OF JURISDICTION .....	53
47	F. UNITED STATES TRUSTEE FEES .....	54
48	VIII. LIQUIDATION ANALYSIS .....	55
49	IX. CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN .....	56

1	A. GENERAL TAX CONSIDERATIONS .....	57
2	B. FEDERAL INCOME TAX CONSEQUENCES TO DEBTOR .....	58
3	1. In General.....	58
4	2. Cancellation of Indebtedness Income. ....	58
5	C. FEDERAL INCOME TAX CONSEQUENCES TO THE HOLDERS OF AN	
6	ALLOWED CLAIM.....	60
7	1. Small Unsecured Creditor Claims. ....	60
8	2. General Unsecured Creditor Claims. ....	60
9	D. CONSEQUENCES TO HOLDERS OF EQUITY INTERESTS .....	61
10	E. INFORMATION REPORTING AND BACKUP WITHHOLDING .....	61
11	F. IMPORTANCE OF OBTAINING PROFESSIONAL TAX ASSISTANCE .....	61
12	X. ACCEPTANCE AND CONFIRMATION OF THE PLAN.....	62
13	A. CONFIRMATION HEARING .....	62
14	B. REQUIREMENTS OF CONFIRMATION .....	62
15	C. RISK FACTORS.....	63
16	1. General Economic Conditions. ....	64
17	2. Value Competition. ....	64
18	3. Commodity Prices/COGS.....	64
19	4. Health and Diet. ....	64
20	5. Changes in Eating Habits or Preferences.....	65
21	6. Labor. ....	65
22	7. Footprints. ....	65
23	8. Projected Financial Results.....	65
24	9. Claim Amounts. ....	65
25	D. ALTERNATIVES TO CONFIRMATION OF THE PLAN .....	66
26	XI. CONCLUSION.....	66

#### List of Exhibits

- Exhibit 1 – Debtor's Plan of Reorganization
- Exhibit 2 – Definition of Net Cash Flow
- Exhibit 3 – Unexpired Leases and Executory Contracts to be Assumed
- Exhibit 4 – Debtor's Income Statements for 2007, 2008 and 2009
- Exhibit 5 – Debtor's and McGrath's Properties Year End 2009 Balance Sheet
- Exhibit 6 – Schedule of Secured and Deficiency Claims
- Exhibit 7 – Debtor's Projections
- Exhibit 8 – Debtor's Liquidation Analysis

1     **I.       INTRODUCTION AND SUMMARY OF PLAN**

2             **A.       INTRODUCTION**

3             On June 8, 2010, Debtor filed this First Amended Disclosure Statement (the  
4     "Disclosure Statement") together with its First Amended Plan of Reorganization (the "Plan")  
5     with the Bankruptcy Court. A copy of the Plan is attached to this Disclosure Statement as  
6     Exhibit 1. Debtor urges you to read, review, consider and carefully analyze the Plan and, if  
7     appropriate, consult with your own counsel about the Plan and its impact on your legal rights  
8     before you vote on the Plan. Capitalized terms used but not defined in this Disclosure  
9     Statement will have the meanings assigned to those terms in the Plan or in the Bankruptcy  
10    Code.

11            This Disclosure Statement is being provided to you by Debtor to enable you to  
12    make an informed judgment about the Plan. This Disclosure Statement discloses information  
13    that, in Debtor's opinion, is material and will be important and helpful to you as you evaluate  
14    the Plan. Among other things, this Disclosure Statement describes the manner in which  
15    Claims and Interests will be satisfied, outlines the risks and alternatives to the Plan and  
16    outlines the procedure involved in confirmation of the Plan.

17            The description of the Plan contained in this Disclosure Statement is intended  
18    as a summary only and is qualified in its entirety by reference to the Plan itself. If any  
19    inconsistency exists between the Plan and this Disclosure Statement, the terms of the Plan  
20    will control.

21            The factual information in this Disclosure Statement has been provided by  
22    Debtor only. It was not provided by Debtor's attorneys or accountants. The information has  
23    been obtained from the books and records of Debtor as well as other sources deemed reliable.  
24    Debtor has prepared the information in this Disclosure Statement in good faith, based upon  
25    information available to Debtor. The information concerning the Plan has not been subject to  
26    an audit. No representation concerning Debtor or the Plan is authorized by Debtor other than

1 those in this Disclosure Statement.

2 The statements contained in this Disclosure Statement are made as of the date  
3 of this Disclosure Statement unless another time is specified. Delivery of this Disclosure  
4 Statement does not imply that there has been no change in the facts described in this  
5 Disclosure Statement since the date of this Disclosure Statement or the date the material  
6 relied on in preparation of this Disclosure Statement was compiled.

7 This Disclosure Statement may not be relied on for any purpose other than to  
8 determine how to vote on the Plan. Nothing in this Disclosure Statement constitutes an  
9 admission of any fact or liability by any person, or is admissible in any proceeding involving  
10 Debtor or any other person, or should be deemed conclusive advice on the tax or other legal  
11 effects of the reorganization on the holders of Claims or Interests.

12 This Disclosure Statement is submitted in accordance with Section 1125 of  
13 the Bankruptcy Code and Bankruptcy Rule 3016. As of \_\_\_\_\_, 2010, it has been approved  
14 by Order of the Bankruptcy Court as containing information of a kind and in sufficient detail  
15 to enable a hypothetical reasonable investor typical of holders of Claims or Interests of  
16 relevant Classes to make an informed judgment concerning the Plan. The Bankruptcy  
17 Court's approval of this Disclosure Statement, however, does not constitute a  
18 recommendation by the Bankruptcy Court either for or against the Plan.

19 The Bankruptcy Court has scheduled a hearing on confirmation of the Plan to  
20 begin \_\_\_\_\_, 2010 at \_\_\_\_\_ Pacific Time. That hearing will be held at the United  
21 States Bankruptcy Court for the District of Oregon, Courtroom 6, 405 E. 8th Ave., Eugene,  
22 OR 97401 before the Honorable Frank R. Alley III, United States Bankruptcy Judge. The  
23 hearing on confirmation may be adjourned from time to time by the Bankruptcy Court  
24 without further notice, except for an announcement made at the hearing or any adjournment  
25 of the hearing.

26 A ballot is enclosed with this Disclosure Statement for use in voting on the

1 Plan. In order to be tabulated for purposes of determining whether the Plan has been  
2 accepted or rejected, ballots must be received at the address indicated on the ballot by no  
3 later than 4:00 p.m. Pacific Time on \_\_\_\_\_, 2010. Debtor believes that confirmation  
4 of the Plan is in the best interests of the holders of Claims and Interests and urges you to  
5 accept the Plan.

6 **B. BRIEF EXPLANATION OF CHAPTER 11**

7 Chapter 11 of the Bankruptcy Code is the principal reorganization provision  
8 of the Bankruptcy Code. Pursuant to Chapter 11, a debtor-in-possession attempts to  
9 reorganize its business for the benefit of the debtor, its creditors, and other parties in interest.

10 The formulation and confirmation of a plan of reorganization is the principal  
11 purpose of a Chapter 11 case. A plan of reorganization describes a proposed method for  
12 compensating the holders of claims against, and interests in, a debtor. A claim or interest is  
13 impaired under a plan of reorganization if the plan provides that the legal, equitable or  
14 contractual rights of the holder of that claim or interest are altered. A holder of an impaired  
15 claim or interest is entitled to vote to accept or reject the plan. Chapter 11 does not require  
16 all holders of claims and interests to vote in favor of a plan in order for the Bankruptcy Court  
17 to confirm it.

18 In order for the Bankruptcy Court to confirm a plan, the Bankruptcy Court  
19 must find that the plan meets a number of statutory tests. These tests are designed to protect  
20 the interests of holders of claims or interests who do not vote to accept the plan, but who will  
21 nonetheless be bound by the plan's provisions if it is confirmed by the Bankruptcy Court.  
22 Any creditor or other party in interest that does not believe a plan satisfies the requirements  
23 of the Bankruptcy Code may object to the confirmation of that plan.

24 In most Chapter 11 cases an official committee of unsecured creditors is  
25 appointed by the United States Trustee's office to, among other things, negotiate regarding  
26 the plan of reorganization on behalf of all unsecured creditors of the debtor. The United

1 States Trustee was initially unable to appoint a committee of unsecured creditors in this case.  
 2 However, on May 18, 2010 the United States Trustee appointed a committee consisting of  
 3 Eric Severson of Northwest Mechanical, who serves as chair, Ed Burran, of Legacy Air, Inc.,  
 4 Cindy Urresti of KNG Inc., Patrick Swope of Pacific Seafood Co. and Julie Minnick  
 5 Bourden of Alderwood Mall, LLC. Mr. Swope resigned as a member of the committee on  
 6 May 26, 2010.

### 7 **C. SUMMARY OF PLAN**

8 A copy of the Plan is attached as Exhibit 1 and discussed later in this  
 9 Disclosure Statement. The following description of the Plan is intended as a brief summary  
 10 only. More detail regarding the Plan is contained below, but all descriptions in this  
 11 Disclosure Statement are qualified in their entirety by reference to the Plan. Debtor urges  
 12 each holder of a Claim or Interest to carefully review the entire Plan before voting on the  
 13 Plan.

14 The Reorganized Debtor will continue to operate at least 12 stores, Salem, OR  
 15 (downtown) which is Store 1, Salem, OR (Lancaster Mall) which is Store 2, Bend, OR which  
 16 is Store 3, Milwaukie, OR which is Store 4, Eugene, OR which is Store 5, Corvallis, OR  
 17 which is Store 6, Medford, OR which is Store 7, Boise, ID which is Store 8, Vancouver, WA  
 18 which is Store 9, Sandy, UT which is Store 11, Beaverton, OR which is Store 15, and Federal  
 19 Way, WA which is Store 21.

20 Debtor will list for sale the Layton, UT store which is Store 13, the Mesa, AZ  
 21 store which is Store 14, the Goodyear, AZ store which is Store 19, and the Lakewood, CO  
 22 store, which is Store 20. The Reorganized Debtor will operate each of these stores on terms  
 23 mutually agreeable to the Secured Creditor and the Reorganized Debtor during the pendency  
 24 of the listing period. Depending on whether the offers received during the listing period are  
 25 acceptable, the Reorganized Debtor may negotiate revised loan amounts and payment terms  
 26 with the appropriate Secured Creditor or Creditors pursuant to which one or more of the

1 listed stores will be included as a part of the Reorganized Debtor.

2 John McGrath will manage the Reorganized Debtor and The Restaurant  
3 Management Group ("RMG") will be engaged as a consultant for a minimum period of six  
4 months.

5 All Claims for unpaid past due real and personal property taxes at the 12  
6 stores which will become a part of the Reorganized Debtor will be paid in full within 60 days  
7 after the Effective Date.

8 Secured Creditors holding Collateral with a value equal to or greater than the  
9 amount of their debt will be paid in full and will generally receive monthly payments in an  
10 amount equal to the amount of such payments set forth in their Loan Documents.

11 Partially Secured Creditors whose stores will be retained by the Reorganized  
12 Debtor will receive monthly payments sufficient to pay in full the amount equal to the value  
13 of their Collateral.

14 Partially Secured Creditors holding Collateral that cannot support profitable  
15 operations by the Reorganized Debtor on an ongoing basis will have their Collateral listed for  
16 sale by Debtor.

17 Small Unsecured Creditors, defined as Creditors holding Unsecured Claims in  
18 an amount equal to or less than \$2500, will receive an amount equal to 20% of their Claims  
19 within 60 days after the Effective Date.

20 General Unsecured Creditors will receive six (6) semi-annual payments each  
21 in an amount equal to 60% of the Reorganized Debtor's annual Net Cash Flow, defined in  
22 Exhibit 2, during such six month period. Debtor estimates that the total of the semi-annual  
23 payments will be approximately \$1,850,000, provided however, that the total amount of such  
24 payments cannot be less than \$1,500,000. Debtor estimates that its total Allowed General  
25 Unsecured Claims will be between \$14,000,000 and \$16,000,000, so that General Unsecured  
26 Creditors will receive distributions equal to 12% or 13% of their Claims.

1 The holders of Interests will retain their stock, but (a) will provide a non  
 2 recourse guarantee that the General Unsecured Creditors will receive at least \$1,500,000, and  
 3 (b) will pledge their stock in the Reorganized Debtor to secure the performance of their  
 4 guarantee.

5 The unexpired leases and executory contracts listed on Exhibit 3 will be  
 6 assumed by Debtor through the Plan. All other unexpired leases and executory contracts will  
 7 be rejected.

8 The Effective Date of the Plan will be the first Business Day after the  
 9 Confirmation Order becomes a Final Order.

## 10 **II. VOTING PROCEDURES AND CONFIRMATION OF A PLAN**

### 11 **A. BALLOTS AND VOTING DEADLINE**

12 This Disclosure Statement and a ballot to be used for voting to accept or reject  
 13 the Plan will be mailed to all Creditors entitled to vote. After carefully reviewing this  
 14 Disclosure Statement and its exhibits, including the Plan, please indicate your acceptance or  
 15 rejection of the Plan by voting in favor of, or against, the Plan on the enclosed ballot as  
 16 directed below.

17 Holders of each Claim that is identified in Debtor's Schedules, or with respect  
 18 to which a Proof of Claim has been Filed, and who are entitled to vote, will receive ballots.  
 19 If a Proof of Claim has been Filed and no objection has been Filed thereto, the vote will be  
 20 based on the amount listed in the Proof of Claim. If no Proof of Claim has been Filed, then  
 21 the vote will be based on the amount of the Claim identified in Debtor's Schedules unless  
 22 such Claim has been scheduled as disputed, contingent or unliquidated. Claims as to which  
 23 an objection has been Filed, and Claims scheduled as disputed, contingent or unliquidated are  
 24 referred to as "Disputed Claims". Holders of Disputed Claims will be entitled to vote if they  
 25 have settled the dispute with Debtor or if the Bankruptcy Court has ruled on the objection or  
 26 resolved the dispute. The Bankruptcy Code provides that the Bankruptcy Court may, if

1 requested to do so by the holder of such Claim, estimate or temporarily allow a Disputed  
2 Claim for the purposes of voting on the Plan.

3 If you hold Claims in more than one class entitled to vote on the Plan, you  
4 will be entitled to complete and return a ballot for each Class. If you do not receive a ballot  
5 or if a ballot is damaged or lost, please contact:

6 Tonkon Torp LLP  
7 Attention: Laura Lindberg  
8 1600 Pioneer Tower  
9 888 S.W. Fifth Avenue  
Portland, Oregon 97204-2099  
Telephone number: (503) 802-2128

10 The Bankruptcy Court has directed that to be counted for voting purposes,  
11 ballots for the acceptance or rejection of the Plan must be received by Debtor no later than  
12 4:00 p.m. Pacific Time, on \_\_\_\_\_, 2010. All persons entitled to vote on the Plan may cast  
13 their vote for or against the Plan by completing, dating and signing the enclosed ballot and  
14 returning it, by First Class Mail or hand delivery, to Debtor at the following address:

15 Tonkon Torp LLP  
16 Attention: Laura Lindberg  
17 1600 Pioneer Tower  
888 S.W. Fifth Avenue  
Portland, Oregon 97204-2099

18 Ballots may also be sent to Debtor by facsimile transmission to Tonkon Torp  
19 LLP, Attention: Laura Lindberg at (503) 972 3828.

20 Any ballots received after 4:00 p.m. Pacific Time on \_\_\_\_\_, 2010  
21 will not be included in any calculation to determine whether the parties entitled to vote on the  
22 Plan have voted to accept or reject the Plan.

23 When a ballot is signed and returned without further instruction regarding  
24 acceptance or rejection of the Plan, the signed ballot will be counted as a vote accepting the  
25 Plan. When a ballot is returned indicating acceptance or rejection of the Plan but is unsigned,  
26 the unsigned ballot will not be included in any calculation to determine whether those

entitled to vote on the Plan have voted to accept or reject the Plan. When a ballot is returned without indicating the amount of the Claim, the amount will be the amount identified on Debtor's Schedules or any Proof of Claim Filed with respect to that Claim.

#### **B. PARTIES ENTITLED TO VOTE**

Pursuant to Section 1126 of the Bankruptcy Code, each class of impaired Claims or Interests that is not deemed to reject the Plan (as described below) is entitled to vote to accept or reject the Plan. A Class is "impaired" unless the legal, equitable and contractual rights of the holders of Claims in that Class are left unaltered by the Plan or if the Plan reinstates the Claims held by members of that Class by (1) curing any defaults, (2) reinstating the maturity of the Claim, (3) compensating the holder of the Claim for damages that result from the reasonable reliance on any contractual provision or law that allows acceleration of that Claim, and (4) otherwise leaving unaltered any legal, equitable and contractual right to which the Claim entitles the holder of the Claim. Because of their favorable treatment, Classes that are not Impaired are conclusively presumed to accept the Plan. Accordingly, it is not necessary to solicit votes from the holders of Claims in Classes that are not Impaired as the holders of those Claims are deemed to accept the Plan.

The holders of Claims in Classes 10, 13, 17, 18, 19, 22, 23, 26, 27 and 31 are unimpaired. The holders of Claims for Classes 1-9, 11, 12, 14, 15, 16, 20, 21, 24, 25, 28, 29, 30, 32, 33, 34, 35 and 36 are impaired.

Classes of Claims or Interests that will not receive or retain any money or property under a Plan on account of those Claims or Interests are deemed, as a matter of law under Section 1126(g) of the Bankruptcy Code, to reject the Plan and therefore are not entitled to vote on the Plan. All Classes of Claims will receive or retain some money or property under the Plan, so there are no Classes that are deemed to reject the Plan.

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**C. VOTES REQUIRED FOR CLASS ACCEPTANCE OF THE PLAN**

As a condition to confirmation, the Bankruptcy Code requires that each Impaired Class of Claims or Interests accept a plan of reorganization, subject to the exceptions referenced in Part D. below entitled "Cram Down of the Plan." At least one impaired Class of Claims must accept a plan in order for that plan to be confirmed.

For a Class of Claims to accept the Plan, Section 1126 of the Bankruptcy Code requires acceptance by Creditors that hold at least two-thirds in dollar amount and a majority in number of the allowed Claims of that Class, in both cases counting only those Claims actually voting to accept or reject the Plan. The holders of Claims who fail to vote are not counted as either accepting or rejecting the Plan. If the Plan is confirmed, it will be binding with respect to all holders of Claims and Interests in each Class, including Classes and members of Classes that did not vote or that voted to reject the Plan.

**D. "CRAM DOWN" OF THE PLAN**

See the discussion of "Cram Down" at Section X.B. "Requirements of Confirmation".

**E. CONFIRMATION HEARING**

The Bankruptcy Court has scheduled a hearing on confirmation of the Plan to begin on \_\_\_\_\_, 2010, at \_\_\_\_\_ Pacific Time. The Confirmation Hearing will be held at the United States Bankruptcy Court for the District of Oregon, Courtroom 6, 405 E. 8th Ave., Eugene, OR 97401, before the Honorable Frank R. Alley III, United States Bankruptcy Judge. At the hearing, the Bankruptcy Court will consider whether the Plan satisfies the various requirements of the Bankruptcy Code, including whether it is feasible and whether it is in the best interests of the Creditors of Debtor. Prior to the hearing, Debtor will submit a report to the Bankruptcy Court concerning the votes for acceptance or rejection of the Plan by the persons entitled to vote on the Plan.

Section 1128(b) of the Bankruptcy Code provides that any party in interest

1 may object to confirmation of a plan of reorganization. Any objections to confirmation of  
 2 the Plan must be made in writing and filed with the Bankruptcy Court at the address set forth  
 3 in Section IA, and a copy delivered so that it is received by counsel for Debtor at the address  
 4 set forth in Section II.A., no later than \_\_\_\_\_, 2010, by \_\_:00 p.m. Pacific Time. Unless  
 5 an objection to confirmation is timely filed and received, it may not be considered by the  
 6 Bankruptcy Court.

### 7 **III. BACKGROUND AND GENERAL INFORMATION**

#### 8 **A. McGRATH'S PUBLICK FISH HOUSE, INC. AND McGRATH'S** 9 **PROPERTIES LLC**

10 McGrath's Fish House is a 29 year old specialty restaurant brand that as of the  
 11 Petition Date was operating 20 full service casual dining restaurants in six states: Oregon  
 12 (8), Washington (3), Idaho (1), Utah (4), Arizona (3) and Colorado (1). The restaurants  
 13 specialize in Pacific Northwest Seafood as well as fresh fish and shellfish from other areas.  
 14 All menu items are made from scratch. Liquor, beer and wine are offered in all locations.  
 15 The restaurants serve lunch and dinner and are open seven days a week.

16 The first McGrath's was established in downtown Salem, Oregon and built its  
 17 success by offering high quality fresh seafood in a comfortable setting at reasonable prices.  
 18 Early growth was in Oregon and later in Washington. Debtor's restaurants are based on two  
 19 designs. Each design utilizes interesting exterior lines and colors, cathedral ceilings, wrought  
 20 iron accents, warm lighting, high quality woodwork, ceramic flooring, comfortable seating  
 21 and unique wall hangings that create a comfortable and inviting atmosphere. Both restaurant  
 22 designs seat approximately 250 guests, including in a separate bar/lounge area.

23 The McGrath's Fish House brand clearly bears the imprint of its founder,  
 24 owner and president, John McGrath. He is experienced, hard working, quick and decisive.  
 25 He is highly regarded among his employees for integrity, discipline and high operational  
 26 standards. His "hands-on" approach has resulted in solid and consistent fundamentals in

1 execution, quality food, service and facility upkeep.

2 McGrath's Fish House restaurants compete in the casual dining segment  
3 against national chains such as Red Lobster, Olive Garden, TGI Fridays, Applebee's, Chili's  
4 and Red Robin, against regional/multi-state chains such as Newport Seafood Grill and  
5 Stanford's, and against local independent restaurants.

6 The casual dining segment is highly competitive and is affected by several  
7 factors, including changes in eating habits, health concerns, local and regional economic  
8 conditions, disposable income, population and traffic patterns and by competitive intrusion.  
9 For example, quick service and fast casual competitors have made significant inroads on  
10 casual dining as a result of their more convenient locations, improved food quality and, in  
11 this economic climate, lower price point options.

12 Debtor's expansion efforts started slowly. Six and a half years after the first  
13 restaurant opened in downtown Salem, Oregon in 1980, Debtor opened its second restaurant  
14 in Bend, Oregon in 1987, its third in Milwaukie, Oregon in 1989, its fourth in Eugene,  
15 Oregon in 1990 and its sixth in Corvallis, Oregon in 1991. After a five year hiatus, Debtor  
16 opened its seventh restaurant in Medford, Oregon in 1996, its eighth in Boise, Idaho in 1998  
17 and its ninth in Vancouver, Washington in 1999.

18 The pace of new restaurant openings picked up significantly in the new  
19 millennium. Debtor opened a restaurant at Lancaster Mall in Salem, Oregon in 2001  
20 followed by four new restaurants in Utah within the next year and a half—in Orem and  
21 Sandy in 2001 followed by Salt Lake City and Layton in 2002. In 2003, Debtor opened a  
22 restaurant in Mesa, Arizona and two months later opened a restaurant in Beaverton, Oregon.  
23 Debtor opened two restaurants in 2004, one in Arcadia, California (which was closed in  
24 August, 2007) and the second at Alderwood Mall in Lynnwood, Washington. Debtor  
25 continued its expansion in Arizona by opening a restaurant in Scottsdale in 2005 and in  
26 Goodyear in 2006. In 2007, Debtor opened two restaurants, one in Lakewood, Colorado and

1 the other at The Commons in Federal Way, Washington.

2 All of the Oregon restaurants, as well as the Vancouver, Washington location,  
3 are able to support themselves and to service at least the senior debt placed against them.  
4 The other locations have not performed as well. A number of factors contributed to that  
5 situation, including the rapid pace of expansion, higher than expected start-up costs, the  
6 distance of the newer restaurants from corporate headquarters and the support and control of  
7 Debtor's management, increased competition and a slow response to adjust menu items and  
8 prices to address the economy's down turn and its impact on consumer's discretionary  
9 spending.

10 In 2008, sales nationally for full service restaurants grew by .7% when  
11 compared with 2007. However, the full year numbers were misleading. Sales started to  
12 decline in the latter portion of 2008. As of February, 2009, regional and independent  
13 restaurant companies were experiencing between 10% and 15% same store sales declines.  
14 Restaurant sales continued to decline throughout 2009.

15 Debtor began experiencing declining same store sales trends at its restaurants  
16 during 2007 and that trend continued through the first part of 2009.

17 Below is a table that demonstrates Debtor's sales (in thousands), on a same  
18 store basis, for 2006, 2007, 2008 and 2009:

Store/Year	2006	2007	2008	2009
#1 Salem Downtown	2,036	2,124	1,958	1,881
#2 Salem Lancaster Mall	3,286	3,406	3,007	3,070
#3 Bend	2,568	2,542	2,121	2,030
#4 Milwaukie	3,001	2,822	2,532	2,518
#5 Eugene	3,232	3,188	2,851	2,808
#6 Corvallis	2,565	2,578	2,168	2,133
#7 Medford	3,214	3,165	2,723	2,606
#8 Boise	3,435	3,155	2,470	2,160
#9 Vancouver	3,465	3,513	3,080	2,935
#10 Orem	1,768	1,779	1,403	1,168
#11 Sandy	3,089	2,506	2,132	1,942
#12 Salt Lake City - Gateway	2,499	2,336	1,962	1,642

Store/Year	2006	2007	2008	2009
#13 Layton	2,102	1,980	1,640	1,542
#14 Mesa	2,646	2,163	1,592	1,433
#15 Beaverton	3,156	3,091	2,669	2,546
#16 Arcadia	1,736	989	Closed 8/21/07	
#17 Lynnwood	3,256	3,074	2,457	2,081
#18 Scottsdale	2,415	1,863	1,327	1,127
#19 Goodyear	3,491	2,825	1,940	1,450
#20 Lakewood	-	2,445	2,111	1,612
#21 Federal Way	-	677	3,188	2,360
Totals:	52,959	52,219	45,330	41,045

In response to declining sales, Debtor reduced its headcount, payroll expenses (including its 401k benefit) and its general and administrative expenses by cutting personnel and freezing or reducing wages at its corporate headquarters, at the regional management and in-store management levels and in its stores. In 2008, Mr. McGrath obtained a line of credit on the equity in his home and contributed the loan proceeds to the business. Debtor used those proceeds to cover payroll and to make a scheduled payment on a class action lawsuit settlement in connection with an alleged California labor violation.

Beginning in 2008, Debtor began to experience difficulty servicing its debt and was in default of most, if not all, of its obligations to its lenders. In December, 2008, Debtor and certain of its affiliates entered into a Forbearance and Modification Agreement with eight of Debtor's lenders. Those lenders extended certain financial accommodations to Debtor through March 31, 2009. Among other things, the forbearance agreement permitted Debtor to make interest-only payments to those lenders at the pre-default rate of interest. That forbearance agreement was renewed several times.

Debtor leased several of its restaurants from McGrath's Properties LLC, an Oregon limited liability company owned by John McGrath, Deborah McGrath and their children Justin McGrath, Lori McGrath and Krista Oswald. A number of Debtor's newer restaurants were located on these properties. McGrath's Properties LLC's only business was leasing its real property to Debtor, its only assets were the real properties that were leased to

Debtor. McGrath's Properties LLC's only creditors were its secured lenders and county taxing authorities. As these restaurants experienced the greatest financial difficulties, McGrath's Properties had no equity in any of its real estate, and its lenders all had deficiency claims. As a result, McGrath's Properties LLC has no unsecured creditors other than the deficiency claims held by its partially secured creditors and no assets to satisfy those deficiency claims. Furthermore, Debtor had guaranteed all of McGrath's Properties LLC's debt to its lenders.

In order to simplify the bankruptcy proceeding, the McGrath children conveyed their interests in McGrath's Properties LLC back to their parents, without consideration. McGrath's Properties LLC then merged with and into Debtor, which was the surviving entity. As a result, inter-company debts were eliminated and inter-company contracts, including lease agreements, were, by operation of law, merged and no longer exist. Since McGrath's Properties LLC had no assets with which to pay its deficiency claims, its unsecured creditors were not harmed by the merger. Since Debtor had guaranteed all of McGrath's Properties LLC's obligations, the merger did not increase the amount of the unsecured claims against Debtor.

## **B. RESTAURANTS**

Debtor operated 20 restaurants at the time the Petition was filed and currently operates 16 restaurants in six states. Debtor commonly refers to its restaurants by number.

Store 1/Downtown Salem: The original McGrath's Fish House restaurant, located at 350 Chemeketa St. in Salem, Oregon, opened in August, 1980. Debtor leases the land and restaurant building from The City of Salem for \$5,645.50 per month. There are no Liens against this restaurant's assets.

Store 2/Lancaster Mall, Salem: McGrath's Fish House located at 3805 Center Street NE at Lancaster Mall in Salem, Oregon, opened in March, 2001. Debtor leases the land from Lancaster Development Co. LLC for \$9,235.94 a month under a ground lease.

1 Debtor owns the building. GE Commercial Finance Business Property ("GE CFBP") has a  
2 Lien on the building and equipment to secure repayment of a loan. Debtor believes that the  
3 balance of the loan as of the Petition Date was approximately \$1,124,800. Other than the  
4 Lien of GE CFBP, there are no other Liens against this restaurant's assets. Debtor believes  
5 the fair market value of this store as an ongoing business is equal to, or exceeds, the amount  
6 of the secured debt based on this restaurant's ability to service that debt.

7 Store 3/Bend: McGrath's Fish House located at 3118 N. Highway 97 in Bend,  
8 Oregon, opened in January, 1987. Debtor leases the land and restaurant building from RPP  
9 Bend I, LLC for \$6,906.28 a month, and Debtor owes the landlord \$30,607.21. SunTrust  
10 Equipment Finance & Leasing Corp. ("SunTrust") has an unperfected security interest  
11 against the refrigeration and related equipment at the Bend Store as well as against similar  
12 equipment at the Eugene and Medford Stores to secure repayment of a loan which SunTrust  
13 claims has a balance of approximately \$345,718.00. There are no Liens against this  
14 restaurant's assets.

15 Store 4/Milwaukie: McGrath's Fish House located at 11050 SE Oak Street in  
16 Milwaukie, Oregon, opened in December 1989. Debtor leases the land and restaurant  
17 building from Pan Pacific Retail Properties (Milwaukie Marketplace) for \$12,316.80 a  
18 month, and Debtor owes the landlord \$16,827.98. There are no Liens against this restaurant's  
19 assets.

20 Store 5/Eugene: McGrath's Fish House located at 1036 Valley River Way in  
21 Eugene, Oregon, opened in October 1990. Debtor leases the land and restaurant building  
22 from Outlot Developers, LLC for \$12,000.00 a month. There are no Liens against this  
23 restaurant's assets.

24 Store 6/Corvallis: McGrath's Fish House located at 350 Circle Blvd. in  
25 Corvallis, Oregon, opened in December 1991. Debtor leases the land and restaurant building  
26 from Outlot Developers, LLC for \$10,048.66 a month. Key Equipment Finance has a Lien

1 on the furniture, fixtures and equipment that Debtor transferred to Corvallis from Restaurant  
2 16 when Debtor closed that location. That Lien secures a loan in the original principal  
3 amount of \$592,415.98. Debtor believes that as of the Petition Date the balance was  
4 \$575,933.00. Other than Key Equipment Finance's Lien, there are no Liens against this  
5 restaurant's assets.

6 Store 7/Medford: McGrath's Fish House located at 68 E Stewart Ave. in  
7 Medford, Oregon, opened in February 1996. Debtor owns the land and building at this  
8 location. Keybank N.A. ("KeyBank") has a Lien against the real estate and improvements to  
9 secure repayment of a loan in the original principal amount of \$1,380,790.39. Debtor  
10 believes that as of the Petition Date the balance was \$1,383,590. Sterling Savings Bank  
11 ("Sterling") also has a Lien against this restaurant to secure three cross-collateralized loans,  
12 Loan 9001 evidencing funds advanced for Store 20, Loan 9002 evidencing funds advanced  
13 for Store 9, and Loan 9003 evidencing funds advanced for Store 7. The three loans had an  
14 aggregate balance of approximately \$5,084,000 as of the Petition Date (the "Sterling Loan").  
15 Debtor believes that the fair market value of this store is \$1,850,000 based on an appraisal  
16 performed for KeyBank.

17 Store 8/Boise: McGrath's Fish House located at 1749 S. Cole Road, Boise,  
18 Idaho, opened in June, 1998. Debtor leases the land and restaurant building from Sundance  
19 Development Inc. for \$15,972.59 a month. There are no Liens against this restaurant's assets.

20 Store 9/Vancouver: McGrath's Fish House located at 12501 SE Second Circle  
21 in Vancouver, Washington, opened in November, 1999. Debtor owns the land, the restaurant  
22 building and equipment at this location. Sterling has a senior Lien against the real estate and  
23 improvements and a junior Lien (subordinate to the Lien of the United States Small Business  
24 Administration ("SBA") against the personal property to secure repayment of the Sterling  
25 Loan described above. The SBA has a senior Lien against the personal property at Store 9 to  
26 secure repayment of a loan in the original principal amount of \$1,500,000 (the "SBA Loan").

1 Debtor believes that the fair market value of the land and building is \$2,700,000 based on an  
2 appraisal performed for Sterling and the value of the equipment is \$95,000 based on an  
3 appraisal performed for the SBA.

4 Store 10/Orem: McGrath's Fish House located at 860 West 1250 South in  
5 Orem, Utah, opened in July, 2001 and ceased operations on February 15, 2010. Debtor  
6 leased the land from Washburn Management LC for \$6,875.00 a month under a ground lease.  
7 Debtor filed a motion to reject that lease. However, at KeyBank's request Debtor agreed to  
8 continue the hearing on that motion on the condition, among others, that KeyBank pay the  
9 occupancy expenses after February 15, 2010. Debtor owns the restaurant building. KeyBank  
10 has a Lien against on the building to secure repayment of a loan. Debtor believes that the  
11 current balance is \$842,124.00. Key Equipment Finance has a Lien on this restaurant's  
12 furniture, fixtures and equipment located to secure payment under a capital lease. Debtor  
13 believes that the current balance is \$70,614.00. An appraisal performed for KeyBank states  
14 that the value of this store is \$700,000. However, Debtor believes the value is approximately  
15 \$450,000 based on a broker's opinion. Debtor is in the process of engaging the broker to sell  
16 Debtor's interest in this store.

17 Store 11/Sandy: McGrath's Fish House located at 10590 South State Street in  
18 Sandy, Utah, opened in December, 2001. Debtor leases the land from Macerich South  
19 Towne LP for \$14,847.40 a month under a ground lease. Debtor owns the building.  
20 KeyBank has a Lien on the building to secure repayment of a loan. Debtor believes that the  
21 current balance is \$896,130.00. Key Equipment Finance has a Lien on this restaurant's  
22 furniture, fixtures and equipment to secure payment under a capital lease. Debtor believes  
23 that the current balance is \$142,433.00. Debtor estimates that the value of the building in  
24 Sandy is \$637,500 and the value of the furniture, fixtures and equipment is \$112,500 for a  
25 total of \$750,000 based on the secured debt this restaurant can service.

26 ///

1                   Store 12/Salt Lake City: McGrath's Fish House located at 190 South 400  
2 West in Salt Lake City, Utah, opened in January, 2002 and ceased operations on February 15,  
3 2010. Debtor leased the land and building from Inland US Management LLC. Debtor has  
4 rejected that lease effective February 17, 2010. Key Equipment Finance has a Lien on this  
5 restaurant's furniture, fixtures and equipment to secure payment under a capital lease. Debtor  
6 believes that the current balance is \$130,132.00, and that the value of the equipment is  
7 substantially less.

8                   Store 13/Layton: McGrath's Fish House located at 908 Main Street in Layton,  
9 Utah, opened in July, 2002. Debtor leases the land from JT Layton Crossing North LC for  
10 \$9,536.67 a month under a ground lease, and Debtor owes the landlord approximately  
11 \$35,000 for taxes which Debtor was obligated to pay under the ground lease. Debtor owns  
12 the building and the equipment. US Bank N.A. ("US Bank") has a Lien against the building  
13 to secure repayment of a loan. Debtor believes that the current balance of that loan is  
14 approximately \$860,902.00. U.S. Bancorp Equipment Finance ("US Bancorp") has a Lien  
15 against all equipment, fixtures and personal property, leases, rents and income from this  
16 restaurant to secure payment under a capital equipment lease. Debtor believes that the  
17 current balance of this loan is approximately \$234,780.00. Debtor believes that the sale  
18 value of this store using an orderly sales process is between \$700,000 and \$900,000 based on  
19 a broker's opinion. Debtor is in the process of engaging the broker to sell Debtor's interest in  
20 this store.

21                   Store 14/Mesa: McGrath's Fish House located at 1610 South Stapley Drive in  
22 Mesa, Arizona, opened in July, 2003. Debtor leases the land and building from McGrath-  
23 Marshall LLC, a real estate holding company owned by Debtor (90%) and Debtor's Vice  
24 President, James R. Marshall (10%) for \$11,500 a month. Debtor owed the landlord  
25 \$40,324.08 as of the Petition Date and has made no rent payments since then. US Bank has a  
26 Lien against the real estate and improvements to secure repayment of a promissory note

1 made by McGrath-Marshall LLC. Debtor believes that the current balance is approximately  
2 \$1,754,892.00. Debtor has guaranteed the payment of that note. US Bancorp has a Lien on  
3 various items of furniture, fixtures and equipment to secure payment of a capital equipment  
4 lease. Debtor believes that the current balance is approximately \$380,211.00. There is a  
5 Lien for personal property taxes, estimated to be \$8,188.20. Debtor is in the process of  
6 engaging a broker to sell this store. Debtor believes that the sale value of this store is  
7 approximately \$1,350,000 based on the broker's opinion.

8 Store 15/Beaverton: McGrath's Fish House located at 3211 SW Cedar Hills  
9 Blvd. in Beaverton, Oregon, opened in October 2003. Debtor leases the land from Center  
10 Developments Oreg., Ltd. for \$12,747.83 a month under a ground lease. Debtor owns the  
11 building and the equipment. US Bank has a Lien on the building to secure repayment of a  
12 loan. Debtor believes that as of the Petition Date the balance was \$936,900.00. US Bancorp  
13 has a Lien on furniture, fixtures and equipment located at this restaurant to secure payment  
14 under a capital lease. Debtor believes that as of the Petition Date the balance was  
15 \$402,771.00. Debtor believes that the fair market value of this restaurant is equal to, or  
16 exceeds, the amount of the secured debt owing based on its ability to service the secured  
17 debt.

18 Store 16/Arcadia: The McGrath's Fish House restaurant located at 400 South  
19 Baldin, Avenue in Arcadia, California, opened in October, 2004, and closed in August, 2007.  
20 Key Equipment Finance had a Lien against the equipment located at this restaurant, but the  
21 lender permitted Debtor to move that equipment collateral to Corvallis, and the Lien  
22 transferred with that equipment.

23 Store 17/Lynnwood: McGrath's Fish House located at 3000 184th St. SW,  
24 Suite 870 in Lynnwood, Washington, opened in December, 2004, and ceased operations on  
25 February 15, 2010. Debtor leased the land and building from Alderwood Mall LLC, c/o  
26 GGP/Homart II LLC for \$25,199.93 per month. Debtor has rejected this lease. GE Capital

1 Franchise Finance Corporation has a Lien on all tangible personal property at this location,  
2 including machinery, appliances, furniture, equipment and inventory, and all profits, income,  
3 accounts and contracts, to secure payment of \$630,796.72 under a capital equipment lease.  
4 There is a Lien for personal property taxes, estimated to be \$6,791.49. Debtor believes that  
5 the value of the tangible personal property is significantly less than the amount of the debt  
6 against it.

7 Store 18/Scottsdale: McGrath's Fish House located at 7000 E Mayo Blvd,  
8 Building #5 in Phoenix, Arizona, opened in September, 2005, and ceased operations on  
9 February 15, 2010. Debtor leased the land from Scottsdale / 101 Associates for \$15,514.83 a  
10 month under a ground lease. Debtor filed a motion to reject that lease. However, at  
11 KeyBank's request Debtor agreed to continue the hearing on that motion on the condition,  
12 among others, that KeyBank pay the occupancy expenses after February 15, 2010. Debtor  
13 owns the building and the equipment. KeyBank has a Lien against the building to secure  
14 repayment of a loan. Debtor believes that the current balance is \$1,362,900.00. General  
15 Electric Capital Corp. has a Lien against the personal property to secure payment of  
16 \$787,110.45 under a capital equipment lease. There is a Lien for personal property taxes,  
17 estimated to be \$11,133.58. Debtor is in the process of engaging a broker to sell Debtor's  
18 interest in the store. Debtor believes that the sale value of Debtor's interest of this store is  
19 between \$500,000 and \$700,000 based on the broker's opinion.

20 Store 19/Goodyear: McGrath's Fish House located at 1800 N. Litchfield Road  
21 in Goodyear, Arizona, was opened in April, 2006. Debtor owns the land, building and  
22 improvements at this location. Arizona Business Bank has a senior Lien against the real  
23 estate, improvements and inventory, building materials and general intangibles and a junior  
24 Lien on equipment and fixtures. The Lien secures repayment of a promissory note which  
25 Debtor believes has a current balance of approximately \$2,296,715.25. GE Commercial  
26 Corp ("GECC"), by assignment from Key Equipment Finance, has a purchase money

1 security interest in specified furniture, fixtures and equipment to secure payment of an  
2 obligation which Debtor believes has a current balance of approximately \$952,763. There  
3 are also Liens for unpaid real property taxes, estimated to be \$36,155.30 and personal  
4 property taxes, estimated to be \$12,470.99. Debtor is in the process of engaging a broker to  
5 sell this store. Debtor believes that the sale value of this store is between \$1,200,000 and  
6 \$1,400,000 based on the broker's opinion.

7 Store 20/Lakewood: McGrath's Fish House located at 14035 West Colfax  
8 Drive in Lakewood, Colorado, opened in April, 2007. Debtor owns the land and building at  
9 this location. Sterling has a Lien against the real and personal property to secure the Sterling  
10 Loan. The Lien is in first position with regard to the first \$2,248,900 of Loan 9001 which is  
11 that portion of the Sterling Loan advanced for Store 20, and subordinated to the Lien of the  
12 SBA (described below) to the extent of the next \$93,750.34, and then in first position with  
13 regard to the balance of the Sterling Loan. SBA has a Lien against the personal property  
14 with priority relative to the Sterling Loan as described above. The SBA's Lien secures  
15 repayment of the SBA Loan. Debtor believes that the current balance of the SBA Loan is  
16 approximately \$1,573,078.00. There are substantial disputed Liens for unpaid real and  
17 personal property taxes. Debtor is in the process of engaging a broker to sell this store.  
18 Debtor believes that the sale value of this store is approximately \$1,700,000.

19 Store 21/Federal Way: McGrath's Fish House located at 1911 South 320th  
20 Street, Federal Way, Washington, opened in November, 2007. Debtor leases the land from  
21 Steadfast Commons LLC for \$12,827.42 a month under a ground lease. GE Commercial  
22 Finance Business Property has a Lien on the building, improvements and fixtures to secure  
23 repayment of a loan. Debtor believes that the current balance is approximately  
24 \$2,452,321.38. General Electric Capital Corp. has a Lien on certain equipment to secure  
25 repayment of a loan. Debtor believes that the current balance is approximately \$995,612.  
26 Bank of the West has a Lien on certain point of sale equipment. Debtor believes that the

1 value of the building is \$490,000 and value of the equipment and personal property is  
2 \$260,000 for a total of \$750,000 based on the secured debt this restaurant can service.

3 **C. OTHER REAL ESTATE**

4 Debtor owns the office building at 1935 Davcor Street SE in Salem, Oregon,  
5 where Debtor's corporate headquarters are located. Debtor refers to its corporate  
6 headquarters as "Store 99". US Bank has a Lien against the real property and all furnishings,  
7 fixtures, equipment and leasehold improvements, accounts, and general intangibles at this  
8 location to secure a loan which had a balance of \$58,244.29 as of the Petition Date and the  
9 current balance is \$56,811.00. Debtor believes that Store 99 has a fair market value of  
10 \$425,000 to \$475,000 based on the broker's opinion.

11 **D. OTHER SECURED CREDITORS**

12 GreatAmerica Leasing Corp. ("GreatAmerica") entered into a financing lease  
13 agreement with Debtor in November 2008 for certain computer equipment that enables  
14 Debtor to process credit cards at their various restaurant locations. The 'Radiant Point of  
15 Sale' equipment pertaining to the GreatAmerica financing is located at six of Debtor's Oregon  
16 stores (Beaverton, Bend, Corvallis, Eugene, Milwaukie and Salem-Lancaster). The total  
17 outstanding loan amount owing to GreatAmerica as of the Petition Date is \$31,800 according  
18 to Debtor's books and records.

19 Similarly, in September 2008, Debtor entered into an Equipment Financing  
20 Agreement with Alpine Leasing, Inc., which was subsequently assigned to Marlin Leasing  
21 Corp. ("Marlin"), under which agreement Marlin is the holder of the debt pertaining to  
22 Debtor's purchase of credit card processing computer equipment used at Debtor's fourteen  
23 other stores (those not named in the paragraph above), as well as Debtor's corporate  
24 headquarters office in Salem, Oregon. The total outstanding loan amount owing to Marlin as  
25 of the Petition Date is \$61,990 according to Debtor's books and records. The Equipment  
26 Financing Agreement appears to be a true lease. However, Marlin has filed a financing

1 statement which would perfect its interest in the event the Equipment Financing Agreement  
2 was construed as a security agreement.

3 Debtor maintains its bank accounts at US Bank. According to US Bank,  
4 Debtor has \$985,937.11 in its accounts as of the Petition Date. Debtor was in default of its  
5 obligations owing to US Bank on the Petition Date, and US Bank contends that it has a  
6 secured claim based on its right to set off the amount owing in Debtor's bank accounts  
7 against the amount Debtor owed to US Bank.

#### 8 **E. MANAGEMENT AND COMPENSATION**

##### 9 1. Key Management Personnel.

10 John McGrath, President and Owner. John McGrath is a northwest native and  
11 has lived in Salem, Oregon for 35 years. He earned a Hotel & Restaurant Administration  
12 degree at Washington State University. Mr. McGrath started his first restaurant in Salem at  
13 age 29 and has owned and operated McGrath's Publiick Fish House, Inc. since 1980. Mr.  
14 McGrath oversees Debtor's overall operations with his primary focus on menu development,  
15 marketing and individual restaurant's achievement of standards. Mr. McGrath will continue  
16 to be employed by the Reorganized Debtor at an initial base salary of \$14,583 per month.

17 James R. Marshall, Vice President. Jim Marshall brings over 30 years of  
18 experience in restaurant management to Debtor. He has been employed by Debtor for over  
19 15 years and is responsible for managing Debtor's restaurant operations and overseeing all  
20 personnel issues. Mr. Marshall supervised several restaurants of a national restaurant  
21 company prior to his employment with Debtor. Mr. Marshall will continue to be employed  
22 by the Reorganized Debtor at an initial base salary of \$9,800 per month plus \$2,167 per  
23 month for restaurant inspections and incentive compensation up to 50% of pre-tax salary.  
24 Mr. Marshall's incentive compensation is based on how well each restaurant meets its  
25 targeted controllable income which is defined as revenue minus controllable expenses.

26 ///

1           Dave Large, Controller. Dave Large brings over 8 years of experience in  
2 corporate accounting to Debtor. He is responsible for managing Debtor's finances. Mr.  
3 Large's career includes over 20 years working with multi branch / multi state corporations in  
4 both operations and accounting. Mr. Large will continue to be employed by the Reorganized  
5 Debtor at an initial base salary of \$5,083 per month.

6           2.     Consultants.

7           RMG will continue to advise Debtor on Debtor's marketing and operations  
8 pursuant to a consulting agreement for at least 6 months following the Effective Date. RMG  
9 states on its website that it is "the only turnaround management company which specializes  
10 exclusively in the restaurant space". RMG worked with Debtor for approximately a year  
11 before the Petition Date.

12           RMG initially assessed for opportunities across all areas of the business.  
13 RMG helped Debtor reformat its profit and loss statements to more accurately reflect  
14 business performance – specifically in the discount line items (promotions, etc.). This  
15 enabled a more detailed analysis of both promotional activity, customer satisfaction  
16 (identifying discounts for cold food, poor service, etc.) as well as data mining of product mix  
17 to support price changes and menu modification. Ultimately, based upon this analysis, a  
18 revised menu was developed with improved pricing and value perception. RMG helped  
19 Debtor implement a key indicator report which enabled field managers to dial in on cost  
20 issues in their restaurants. The combination of these efforts both assisted Debtor's team with  
21 improved operations, as well as drove revenue and traffic to the stores.

22           In order to assess customer interests, RMG developed and deployed a  
23 customer feedback card. Information contained in these results assisted Debtor with crafting  
24 a revised menu.

25           Simultaneously RMG guided Debtor through several revised marketing  
26 campaigns. For example, previous efforts promoted a single item. Based on RMG's

1 recommendations, Debtor began offering multiple items in its quarterly promotions which  
2 broadened its appeal and yielded greater traffic counts. Additionally, McGrath's had under-  
3 utilized banners, in-store materials and menu inserts.

4 RMG also helped Debtor institute additional marketing initiatives. These  
5 clearly drove both customer counts and revenue. Within six months, Debtor's same store  
6 sales trends improved from negative 17% to 18% (when RMG was engaged), to flat, and  
7 even up over prior year in the fall of 2009.

8 RMG was also instrumental in lease negotiations. Conducting some  
9 discussions directly with landlords, and others with Debtor's team, several lease concessions  
10 were obtained.

11 3. Affiliated Persons.

12 Krista Oswald, Mr. McGrath's daughter, services as Debtor's marketing  
13 coordinator. She receives a salary of \$34,000 per year for her services. Justin McGrath, a  
14 son, is a manager at the Milwaukie store, and makes \$39,000 per year. He, like any other  
15 store manager, is eligible for a merit performance bonus. The bonus cannot exceed \$6,000  
16 per year. Bo Oswald, a son-in-law, owns a separate business and provides facility  
17 management services to Debtor. He is paid \$500 per month and receives \$350 per month  
18 towards his rent.

19 **F. FINANCIAL PERFORMANCE**

20 The income statements for Debtor (which show as an expense "internal rent"  
21 paid to McGrath's Properties LLC) for the three prior fiscal years are attached as Exhibit 4.  
22 Additional or more detailed information can be obtained by submitting a written request to  
23 Debtor's counsel, identifying the information sought.

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25 ///

26 ///

1 **IV. THE BANKRUPTCY CASE**

2 **A. THE FILING**

3 Debtor filed a voluntary petition for relief under Chapter 11 of the Bankruptcy  
4 Code on February 3, 2010. The filing was required in order to provide a single forum in  
5 which to accomplish a reorganization involving numerous secured creditors and landlords.

6 **B. "FIRST DAY" MOTIONS AND OTHER OPERATIONAL ORDERS**

7 At the beginning of the Chapter 11 case, the Bankruptcy Court, at Debtor's  
8 request, entered several orders necessary for Debtor to continue operations. These orders  
9 authorized Debtor to pay certain prepetition priority claims and granted other relief necessary  
10 to facilitate Debtor's transition between prepetition and post-petition business operations. In  
11 the first few weeks after the Petition Date, the Bankruptcy Court orders authorized Debtor to,  
12 among other things:

- 13 • Pay accrued prepetition wages, salaries, compensation, expenses,  
14 benefits and related taxes for Debtor's employees;
  - 15 • Maintain Debtor's bank accounts and operation of its cash  
16 management system substantially as it existed before the Petition Date,  
17 pending the opening of debtor in possession accounts;
  - 18 • Continue utility service during the case, including a determination as  
19 to the amount of an adequate deposit;
  - 20 • Honor gift cards that were issued prepetition;
  - 21 • Pay suppliers who qualified under Section 503(b)(9) of the Bankruptcy  
22 Code;
  - 23 • Use an alternative form of monthly financial reporting to comply with  
24 standards in the industry and Debtor's normal and usual accounting  
25 practices;
- 26

- Use cash collateral in which some of the prepetition creditors held an interest; and
- Retain the following professionals to advise Debtor: Tonkon Torp LLP as general and restructuring counsel; AKT as accountants; and RMG as marketing and operating consultants.

### **C. POST-PETITION DEVELOPMENTS**

Debtor closed Store 12 in Salt Lake City and Store 17 in Lynnwood and has rejected the leases for those restaurants. Debtor closed Store 10 in Orem, Utah and Store 18 in Scottsdale, Arizona. Debtor also filed motions to reject these leases. However, KeyBank, a secured creditor with respect to those stores wanted more time to evaluate its alternatives for those stores. As a result the motions have been continued, and Debtor and KeyBank entered into an agreement whereby KeyBank will pay the ongoing expenses of those restaurants while KeyBank evaluates its alternatives. The Bankruptcy Court has approved that agreement.

The Bankruptcy Court granted General Electric Capital Corp.'s motion for relief from the automatic stay to permit GECC to repossess its collateral at Store 17 (Lynnwood) and Store 18 (Scottsdale). Debtor did not oppose that motion.

Debtor, with the consent of the applicable secured creditors, selected brokers to sell Debtor's interests in the Orem, Layton, Mesa, Scottsdale, Goodyear and Lakewood stores. Debtor has submitted, or will submit, applications to employ these brokers.

Debtor has negotiated with a number of the landlords of the stores that will be included as a part of the Reorganized Debtor in an effort to reduce rent. Debtor, with RMG's assistance, was successful with regard to four landlords and negotiations continue with two others.

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1           **D.       UNSECURED CREDITORS COMMITTEE**

2           As discussed above in Section I.B. an unsecured creditors committee was  
3 appointed on May 18, 2010.

4           **V.       ASSETS AND LIABILITIES**

5           **A.       ASSETS**

6           The balance sheets for each of Debtor and McGrath's Properties as of fiscal  
7 year end 2009 are attached hereto as Exhibit 5. It is important to note that asset values are  
8 based on book values. In fact, the real market value of both the real property and equipment  
9 vary significantly from their book value.

10          Debtor also holds liquor licenses as well as the right to use the "McGrath's"  
11 trade names. While these assets are valuable, it is difficult to assign an independent value to  
12 them because they are integral to the operation of the restaurants and thus included within the  
13 value of those restaurants.

14          Debtor has certain Rights of Action. Debtor has performed a preliminary  
15 preference analysis. Because Debtor paid almost all of its vendors according to normal  
16 business terms prior to bankruptcy, there are very few potentially recoverable preferences.  
17 Debtor identified a total of about \$150,000 of payments that could have been preferential and  
18 were reviewed. However, Debtor's best estimate at this time is that the net recovery from  
19 any preferences will be almost zero because most of those payments were ordinary course  
20 payments for debt that was incurred in the ordinary course of Debtor's business. The most  
21 significant potential preference payment was a \$64,052.52 payment to ADLIB Advertising  
22 Agency, Ltd. ("ADLIB") on February 3, 2010, the Petition Date. Debtor's monthly invoices  
23 from ADLIB typically total approximately \$60,000—for example from October 2009  
24 through January 2010, Debtor's invoices from ADLIB ranged from \$58,000 per month to  
25 \$79,000 per month. ADLIB sends Debtor an invoice at the end of each month for services  
26 provided in during that month. Debtor typically pays ADLIB's invoices in the second week

1 of the following month. In this particular instance, Debtor paid ADLIB's January 2010  
2 invoice on February 3, 2010, approximately a week earlier than normal. Debtor does not  
3 intend to pursue this claim because it believes the chance of obtaining a net recovery is very  
4 small.

5 If Debtor's tentative agreement with US Bank is not implemented, Debtor may  
6 also assert a preference claim against US Bank. The claim relates to the improvement of its  
7 setoff rights within 90 days of the Petition Date by virtue of Debtor's increased deposits in its  
8 accounts at US Bank during that period. Specifically, 90 days prior to the Petition Date,  
9 Debtor had approximately \$673,326 on deposit with US Bank, and as of the Petition Date  
10 that amount had increased to \$985,937.11. US Bank claims that it is entitled to a setoff right  
11 against the funds on deposit as of the Petition Date, and to the extent Debtor acknowledges a  
12 set off right. Debtor will likely assert that the improvement in US Bank's position by virtue  
13 of Debtor's increased cash deposits within the 90 days prior to the Petition Date should be  
14 recoverable as a preference.

15 **B. LIABILITIES**

16 Debtor expects that it will have net administrative expenses relating to  
17 professional fees of approximately \$500,000 on the Effective Date. Debtor anticipates that  
18 the Reorganized Debtor will have about \$10,300,000 in secured debt and between  
19 \$14,000,000 and \$16,000,000 of unsecured debt. Debtor estimates that prepetition unsecured  
20 Claims will be between approximately \$1,300,000 and \$1,900,000, lease rejection Claims  
21 will total between \$850,000 and \$1,500,000 depending on whether the leases for the Orem  
22 and Scottsdale stores are assumed, and Secured Creditors' deficiency Claims will total  
23 between approximately \$12,000,000 and \$12,500,000. Exhibit 6 shows each Secured  
24 Creditors' currently estimated secured and deficiency Claim as well as the basis for Debtor's  
25 assumptions regarding those Claims.

26 ///

**VI. DESCRIPTION OF PLAN OF REORGANIZATION**

**A. CLASSIFICATION AND TREATMENT OF CLAIMS**

For purposes of this Plan, Claims (except those treated under Article 2 of the Plan) are classified and will be treated as provided below. A Claim is classified in a particular Class only to the extent that such Claim qualifies within the description of such Class, and is classified in a different Class to the extent that such Claim qualifies within the description of such different Class.

Class 1 consists of the Allowed Secured Claim of GE CFBP in the amount of \$1,124,800 as of the Petition Date secured by its Lien against the real estate improvements and restaurant equipment and furniture at Debtor's restaurant located at 3805 Center Street NE at Lancaster Mall in Salem, Oregon ("Store 2"). The Class 1 Claim will be paid in equal monthly installments of \$14,621, including principal and interest at 8.90%. The first such monthly payment will be paid within the first ten (10) days of the first full month following the Effective Date. Each subsequent monthly payment will be paid within the first ten (10) days of each subsequent calendar month until the Class 1 Claim is paid in full. GE CFBP will retain its Lien on the Collateral until the Class 1 Claim is paid in full.

Class 2 consists of the Allowed Secured Claim of Key Equipment Finance in the amount of \$575,933 as of the Petition Date secured by its Lien against Debtor's furniture, fixtures and equipment at the restaurant located at 350 Circle Boulevard in Corvallis, Oregon ("Store 6"). The Class 2 Claim will be paid in equal monthly installments of \$6,479.83, including principal and interest at 6%. The first such monthly payment will be paid within the first ten (10) days of the first full month following the Effective Date. Each subsequent monthly payment will be paid within the first ten (10) days of each subsequent calendar month until the Class 2 Claim is paid in full. Key Equipment Finance will retain its Lien on the Collateral until the Class 2 Claim is paid in full.

Class 3 consists of the Allowed Secured Claim of KeyBank in the amount of

1 \$1,383,590 as of the Petition Date secured by its Lien against Debtor's real property at the  
 2 restaurant located at 68 E Stewart Avenue in Medford, Oregon ("Store 7"). The Class 3  
 3 Claim will be amortized over 15 years with interest at 6% per annum. The Class 3 Claim  
 4 will be paid in equal monthly installments of \$12,100 which include principal and interest.  
 5 The first such monthly payment will be paid within the first ten (10) days of the first full  
 6 month following the Effective Date. Each subsequent monthly payment will be paid within  
 7 the first ten (10) days of each subsequent calendar month until the fifth anniversary of the  
 8 first monthly payment at which time the then remaining unpaid balance shall be paid in full.  
 9 KeyBank will retain its Lien on the Collateral until the Class 3 Claim is paid in full.

10 Class 4 consists of the Allowed Secured Claim of Sterling in the amount of  
 11 \$4,800,000 secured by a senior Lien against Debtor's real and personal property at the  
 12 restaurant located at 12501 SE Second Circle in Vancouver, Washington ("Store 9"), and a  
 13 junior Lien on Debtor's real property and fixtures and a senior Lien against the equipment  
 14 and furniture at Store 7, and a senior Lien against Debtor's real and personal property at the  
 15 restaurant located at 10435 W Colfax Drive in Lakewood, Colorado ("Store 20"). The Class  
 16 4 Claim will be paid as follows:

- 17 (a) \$2,700,000 of the Class 4 Claim will be amortized over twenty  
 18 (20) years with interest at 6% per annum. This portion of the  
 19 Class 4 Claim will be paid in sixty (60) equal installments of  
 20 principal and interest of \$19,344. The first such monthly  
 21 payment will be paid within the first ten (10) days of the first  
 22 full month following the Effective Date. Each subsequent  
 23 monthly payment will be paid within the first ten (10) days of  
 24 each subsequent calendar month until the fifth anniversary of  
 25 the first monthly payment at which time the then remaining  
 26 unpaid balance shall be paid in full. This \$2,700,000

1 obligation will be evidenced by a promissory note and secured  
2 by a first Lien against the real property and a second Lien  
3 against the personal property at Store 9;

4 (b) \$400,000 of the Class 4 Claim will be amortized over twenty  
5 (20) years with interest at 6% per annum. This portion of the  
6 Class 4 Claim will be paid in equal installments of principal  
7 and interest of \$2,865.80. The first such monthly payment will  
8 be paid within the first ten (10) days of the first full month  
9 following the Effective Date. Each subsequent monthly  
10 payment will be paid within the first ten (10) days of each  
11 subsequent calendar month until the fifth anniversary of the  
12 first monthly payment at which time the then remaining unpaid  
13 balance shall be paid in full. This \$400,000 obligation will be  
14 evidenced by a promissory note and secured by a junior Lien  
15 against the real property and a senior Lien against the  
16 equipment and furniture at Store 7; and

17 (c) \$1,700,000 of the Class 4 Claim will be satisfied by either a  
18 sale of Store 20 on terms satisfactory to Sterling or by granting  
19 a deed in lieu of foreclosure conveying Store 20 to Sterling.  
20 Debtor will list and attempt to sell Store 20 for a period of six  
21 (6) months following the Effective Date. If Store 20 is sold,  
22 \$1,700,000 of the Class 4 Claim will be deemed satisfied. If  
23 Store 20 does not sell within the six (6) month period, the  
24 Reorganized Debtor will deliver to Sterling a deed in lieu of  
25 foreclosure conveying Store 20 to Sterling in satisfaction of  
26 \$1,700,000 of the Class 4 Claim. Debtor will continue to

1 operate Store 20 during the period that it is being offered for  
 2 sale. Any positive Net Cash Flow that results from operations  
 3 during the sale period will be paid first towards satisfaction of  
 4 the tax Liens that encumber Store 20, and then to Sterling to  
 5 reduce the Class 4 Claim. This \$1,700,000 obligation will be  
 6 evidenced by a non-interest bearing promissory note and  
 7 secured by a deed of trust against the assets of Store 20.

8 Class 5 consists of the Allowed Secured Claim of SBA in the amount of  
 9 \$95,000 secured by its senior Lien against Debtor's personal property and equipment at Store  
 10 9, and its junior Lien against Debtor's personal property and equipment at Store 20. The  
 11 Class 5 Claim will be paid in sixty (60) equal monthly installments of \$1,831.98 including  
 12 principal and interest at 5.895% per annum. The first such monthly payment will be paid  
 13 within the first ten (10) days of the first full month following the Effective Date. Each  
 14 subsequent monthly payment will be paid within the first ten (10) days of each subsequent  
 15 calendar month until the Class 5 Claim is paid in full. SBA will retain its Lien on the  
 16 Collateral at Store 9 until the Class 5 Claim is paid in full, but its Lien on the Collateral at  
 17 Store 20 shall be extinguished on the Effective Date to facilitate the sale of Store 20.

18 Class 6 consists of the Allowed Secured Claim of KeyBank in an amount  
 19 equal to the value of Debtor's interest in the building and improvements located at 860 West  
 20 1250 South in Orem, Utah ("Store 10"), which amount is uncertain but is less than the  
 21 balance owing to KeyBank. The Class 6 Claim is secured by a Lien against such building  
 22 and improvements. The Class 6 Claim will be satisfied by Debtor's sale of its interest in the  
 23 building and improvements at Store 10 and the payment of the proceeds up to the amount of  
 24 the Class 6 Claim, or the conveyance of Debtor's interest in such property, to KeyBank.

25 Class 7 consists of the Allowed Secured Claim of Key Equipment Finance in  
 26 an amount equal to the value of Debtor's fixtures and equipment at Store 10, which amount is

1 uncertain but is less than the balance owing to Key Equipment Finance. The Class 7 Claim is  
2 secured by a Lien against such fixtures and equipment. The Class 7 Claim will be satisfied  
3 by Debtor's sale of its interest in the fixtures and equipment at Store 10 and the payment of  
4 the proceeds up to the amount of the Class 7 Claim, or the conveyance of such property, to  
5 Key Equipment Finance.

6 Class 8 consists of the Allowed Secured Claim of KeyBank in the amount of  
7 \$637,500 secured by a Lien on Debtor's interest in the real property at the restaurant located  
8 at 10950 S. State Street in Sandy, Utah ("Store 11"). The Class 8 Claim will be paid in equal  
9 monthly installments of \$5,843.75, including principal and interest at 6%. The first such  
10 monthly payment will be paid within the first ten (10) days of the first full month following  
11 the Effective Date. Each subsequent monthly payment will be paid within the first ten (10)  
12 days of each subsequent calendar month until the Class 8 Claim is paid in full. KeyBank will  
13 retain its Lien on the Collateral until the Class 8 Claim is paid in full.

14 Class 9 consists of the Allowed Secured Claim of Key Equipment Finance in  
15 the amount of \$112,500 secured by a Lien on Debtor's fixtures and equipment at Store 11.  
16 The Class 9 Claim will be paid in equal monthly installments of \$2,437.50, including  
17 principal and interest at 6%. The first such monthly payment will be paid within the first ten  
18 (10) days of the first full month following the Effective Date. Each subsequent monthly  
19 payment will be paid within the first ten (10) days of each subsequent calendar month until  
20 the Class 9 Claim is paid in full. Key Equipment Finance will retain its Lien on the  
21 Collateral until the Class 9 Claim is paid in full.

22 Class 10 consists of the Allowed Secured Claim of Key Equipment Finance  
23 secured by a Lien on Debtor's personal property at the restaurant located at 190 South 400  
24 West in Salt Lake City, Utah ("Store 12"). The Class 10 Claim has been satisfied by Debtor's  
25 surrender of its personal property to Key Equipment Finance.

26 Class 11 consists of the Allowed Secured Claim of US Bank in the amount of

1 \$860,902 secured by a Lien on Debtor's interest in the real property at the restaurant located  
2 at 908 Main Street in Layton, Utah ("Store 13"). Debtor will list for sale its interest in the  
3 real property (together with its interest in the furniture, fixtures and equipment) through  
4 December 1, 2010, or such further period as may be agreed upon by Debtor, US Bank and  
5 US Bancorp. During the listing period Debtor will operate Store 13. Debtor will not be  
6 obligated to make any debt service payments during the listing period. Net Cash Flow  
7 derived from operations during the listing period will be used to pay taxes which are the  
8 delinquent part of the rent owing to the landlord of Store 13. Proceeds from the sale of Store  
9 13 will be used first to pay the Class 11 Claim as well as the Class 12 Claim described below.  
10 If Store 13 is sold for less than the total amount of the Class 11 and Class 12 Claims, that  
11 portion of the purchase price attributable to Debtor's interest in the real property will be  
12 deemed to satisfy the Class 11 Claim in full. If Store 13 is not sold during the listing period,  
13 Store 13 will be included as part of the Reorganized Debtor. The Class 11 Claim will be  
14 amortized over twenty (20) years at interest at 6% per annum and paid in equal monthly  
15 installments of \$6,167.77 which includes principal and interest. The first such monthly  
16 payment will be paid within ten (10) days of the first full month following the expiration of  
17 the listing period. Each subsequent monthly payment will be paid within the first ten (10)  
18 days of each subsequent month until the seventh anniversary of the first payment at which  
19 time the then remaining unpaid balance will be paid in full. US Bank will retain its Lien on  
20 the Collateral until the Class 11 Claim is paid in full.

21 Class 12 consists of the Allowed Secured Claim of US Bancorp in the amount  
22 of \$198,050 secured by a Lien on Debtor's furniture, fixtures, equipment and personal  
23 property at Store 13. Debtor will list for sale its interest in the furniture, fixtures and  
24 equipment (together with the real property) through December 1, 2010, or such further period  
25 as may be agreed upon by Debtor, US Bank and US Bancorp. During the listing period  
26 Debtor will operate Store 13. Debtor will not be obligated to make any debt service

1 payments during the listing period. Net Cash Flow derived from operations during the listing  
 2 period will be used to pay taxes which are the delinquent part of the rent owing to the  
 3 landlord of Store 13. Proceeds from the sale of Store 13 will be used first to pay the Class 12  
 4 Claim as well as the Class 11 Claim described above. If the proceeds from the sale of Store  
 5 13 are insufficient to pay the Class 12 Claim in full the holder of the Class 12 Claim will be  
 6 entitled to a deficiency claim to be paid as discussed in the treatment of the Class 35 Claim  
 7 below. If Store 13 is not sold during the listing period, Store 13 will be included as part of  
 8 the Reorganized Debtor. The Class 12 Claim will be paid with interest at 6.6% per annum  
 9 and paid in equal monthly installments of \$1,558.62 which includes principal and interest.  
 10 The first such monthly payment will be paid within ten (10) days of the first full month  
 11 following the expiration of the listing period. Each subsequent monthly payment will be paid  
 12 within the first ten (10) days of each subsequent month until the seventh anniversary of the  
 13 first payment at which time the then remaining unpaid balance will be paid in full. US  
 14 Bancorp will retain its Lien on the Collateral until the Class 12 Claim is paid in full.

15 Class 13 consists of the Allowed Secured Claim of Maricopa County,  
 16 Arizona, in the amount of \$8,118.20, secured by its Lien against Debtor's personal property  
 17 and equipment at the restaurant located at 1610 South Stapley Drive in Mesa, Arizona  
 18 ("Store 14"). As discussed below in the treatment of the Class 14 Claim, Debtor will list  
 19 Store 14 for sale through December 1, 2010, or such further time as may be agreed between  
 20 Debtor, US Bank and US Bancorp. Maricopa County will retain its Lien, and all rights  
 21 relating thereto, against the personal property and equipment following the Effective Date.

22 Class 14 consists of the Allowed Secured Claim of US Bancorp which amount  
 23 is uncertain but is less than the amount owing to US Bancorp, secured by a Lien against  
 24 various items of furniture, fixtures, equipment and personal property at Store 14. Debtor will  
 25 list for sale its interest in the furniture, fixtures, equipment and personal property (and  
 26 Debtor's affiliate, McGrath-Marshall LLC, will list the real property at Store 14 which is US

Bank's Collateral) through December 1, 2010. After December 1, 2010, Debtor (and McGrath-Marshall LLC) will confer with US Bancorp and US Bank regarding alternatives and will take such action as US Bank and US Bancorp require as long as it does not cause economic hardship to Debtor or Reorganized Debtor. During the listing period Debtor and Reorganized Debtor will operate Store 14. No debt service payments will be required during the listing period. Net Cash Flow, if any, derived from operations during the listing period will be used to pay taxes owing to Maricopa County, Arizona. After payment of senior Liens, if any, proceeds from the sale of Store 14 will be allocated proportionally between US Bank and US Bancorp based on the amount of debt related to Store 14 owing to each. Debtor or Reorganized Debtor may cease operating and close Store 14 during the listing period if the financial results of operations create an economic hardship for Debtor or Reorganized Debtor. US Bancorp will retain its Lien on the Collateral until the Class 14 Claim is paid in accordance with this Plan.

Class 15 consists of the Allowed Secured Claim of US Bank in the amount of \$936,900 as of the Petition Date secured by a Lien on Debtor's interest in the real property at the restaurant located at 3211 SW Cedar Hills Boulevard in Beaverton, Oregon ("Store 15"). The Class 15 Claim will be paid in equal monthly installments of \$8,787.23, including principal and interest at a floating rate equal to US Bank's prime rate plus 1.5% with a floor of 4.75% and a cap of 8%. The first such monthly payment will be paid within the first ten (10) days of the first full month following the Effective Date. Each subsequent monthly payment will be paid within the first ten (10) days of each subsequent calendar month until the tenth anniversary of the Effective Date at which time the then remaining unpaid balance shall be paid in full. US Bank will retain its Lien on the Collateral until the Class 15 Claim is paid in full.

Class 16 consists of the Allowed Secured Claim of US Bancorp in the amount of \$402,771 as of the Petition Date secured by a Lien on Debtor's furniture, fixtures,

1 equipment and personal property at Store 15. On the Effective Date, Debtor will pay  
 2 approximately \$17,000 to pay the past due interest on the Class 16 Claim. The Class 16  
 3 Claim will be paid in equal monthly installments of \$7,833.60, including principal and  
 4 interest at a floating rate equal to US Bank's prime rate plus 1.5% with a floor of 4.75% and a  
 5 cap of 8%. The first such monthly payment will be paid within the first ten (10) days of the  
 6 first full month following the Effective Date. Each subsequent monthly payment will be paid  
 7 within the first ten (10) days of each subsequent calendar month until the fifth anniversary of  
 8 the Effective Date at which time the then remaining unpaid balance shall be paid in full. US  
 9 Bancorp will retain its Lien on the Collateral until the Class 16 Claim is paid in full.

10 Class 17 consists of the Allowed Secured Claim of Snohomish County,  
 11 Washington, in the amount of \$6,791.49 and secured by a Lien on Debtor's personal property  
 12 at the restaurant located at 3000 184th St SW, Suite 870 in Lynnwood, Washington ("Store  
 13 17"). Snohomish County will retain its Lien on Debtor's personal property following the  
 14 Effective Date.

15 Class 18 consists of the Allowed Secured Claim of GE Capital Franchise  
 16 Finance Corp., secured by a Lien on Debtor's personal property at Store 17. The Class 18  
 17 Claim has been satisfied by surrender of the personal property to GE Capital Franchise  
 18 Finance Corp.

19 Class 19 consists of the Allowed Secured Claim of Maricopa County,  
 20 Arizona, in the amount of \$11,133.58 and secured by a Lien on Debtor's personal property  
 21 and equipment at the restaurant located at 7000 East Mayo Blvd, Building #5 in Phoenix,  
 22 Arizona ("Store 18"). Maricopa County will retain its Lien, and all rights relating thereto,  
 23 against the personal property and equipment following the Effective Date.

24 Class 20 consists of the Allowed Secured Claim of KeyBank, in an amount  
 25 equal to the value of Debtor's interest in the building and improvements at Store 18, which  
 26 amount is uncertain but is less than the balance owing to KeyBank. The Class 20 Claim is

1 secured by a Lien against such building and improvements. The Class 20 Claim will be  
2 satisfied by Debtor's sale of its interest in the building and improvements at Store 18, and  
3 after payment of senior Liens the payment of the proceeds up to the amount of the Claim 20  
4 Claim, or the conveyance of its interest in such property, to KeyBank.

5 Class 21 consists of the Allowed Secured Claim of General Electric Capital  
6 Corporation secured by a Lien on Debtor's furniture, fixtures, equipment and personal  
7 property at Store 18. The Class 21 Claim has been satisfied by surrender of the furniture,  
8 fixtures, equipment and personal property to General Electric Capital Corporation.

9 Class 22 consists of the Allowed Secured Claim of Maricopa County, Arizona  
10 in the amount of \$36,155.30 and secured by a Lien on Debtor's interest in real property at the  
11 restaurant located at 1800 North Litchfield Road in Goodyear, Arizona ("Store 19").  
12 Maricopa County will retain its Lien, and all rights relating thereto, against the real property  
13 following the Effective Date.

14 Class 23 consists of the Allowed Secured Claim of Maricopa County, Arizona  
15 in the amount of \$12,470.99 and secured by a Lien on Debtor's personal property and  
16 equipment at Store 19. Maricopa County will retain its Lien, and all rights relating thereto,  
17 against the personal property and equipment following the Effective Date.

18 Class 24 consists of the Allowed Secured Claim of Arizona Business Bank in  
19 an amount which is equal to Debtor's interest in the real property, inventory, building  
20 materials and general intangibles related to the property at Store 19, which amount is  
21 uncertain but is less than the balance owing to Arizona Business Bank. The Class 24 Claim  
22 is secured by a senior Lien on Debtor's real property, inventory, building materials and  
23 general intangibles and a junior Lien on Debtor's furniture, fixtures and equipment at Store  
24 19. Debtor will list for sale its interest in the real property and inventory (together with the  
25 furniture, fixtures and equipment which are the Collateral of GECC as described below).  
26 During the listing period Debtor and Reorganized Debtor will operate Store 19. No debt

1 service payments will be required during the listing period. After payment of senior Liens,  
2 proceeds from the sale of Store 19 will be used to pay the Class 24 Claim as well as the Class  
3 25 Claim described below. If a sale of the assets of Store 19 includes only Arizona Business  
4 Bank's Collateral, and not GECC's Collateral, then Arizona Business Bank and GECC shall  
5 negotiate a period of time, not less than thirty (30) days, within which GECC may sell its  
6 Collateral at Store 19. Arizona Business Bank will retain its Lien on its Collateral until the  
7 Class 24 Claim is paid.

8 Class 25 consists of the Allowed Secured Claim of GECC secured by a senior  
9 Lien on Debtor's furniture, fixtures and equipment related to the property at Store 19, which  
10 amount is uncertain but is less than the balance owing to GECC. Debtor will list for sale its  
11 interest in the furniture, fixtures and equipment (together with the real property). During the  
12 listing period Debtor and Reorganized Debtor will operate Store 19. No debt service  
13 payments will be required during the listing period. After payment of senior Liens, proceeds  
14 from the sale of Store 19 will be used first to pay the Class 25 Claim as well as the Class 24  
15 Claim described above. GECC will retain its Lien on its Collateral until the Class 25 Claim  
16 is paid.

17 Class 26 consists of the Allowed Secured Claim of Jefferson County,  
18 Colorado, secured by a Lien on Debtor's real property at the restaurant located at 14035 West  
19 Colfax Drive in Lakewood, Colorado ("Store 20"). Jefferson County will retain its Lien on  
20 Debtor's real property following the Effective Date.

21 Class 27 consists of the Allowed Secured Claim of Jefferson County,  
22 Colorado, secured by a Lien on Debtor's personal property and equipment at Store 20.  
23 Jefferson County will retain its Lien on Debtor's personal property and equipment following  
24 the Effective Date.

25 Class 28 consists of the Allowed Secured Claim of GE CBFP in the amount of  
26 \$490,000 secured by a senior Lien on Debtor's real property and a junior Lien on Debtor's

1 equipment and personal property at the restaurant located at 1911 South 320th Street in  
2 Federal Way, Washington ("Store 21"). The Class 28 Claim will be amortized over ten (10)  
3 years and paid in equal monthly installments of \$5,440.00, including principal and interest at  
4 6.00% per annum. The first such monthly payment will be paid within the first ten (10) days  
5 of the first full month following the Effective Date. Each subsequent monthly payment will  
6 be paid within the first ten (10) days of each subsequent calendar month until the seventh  
7 anniversary of the Effective Date at which time the then remaining unpaid balance shall be  
8 paid in full. GE CBFP will retain its Lien on the Collateral until the Class 28 Claim is paid  
9 in full.

10 Class 29 consists of the Allowed Secured Claim of GECC in the amount of  
11 \$245,000 secured by a senior Lien on Debtor's personal property and equipment at Store 21.  
12 The Class 29 Claim will be amortized over ten (10) years and paid in equal monthly  
13 installments of \$2,720.00, including principal and interest at 6% per annum. The first such  
14 monthly payment will be paid within the first ten (10) days of the first full month following  
15 the Effective Date. Each subsequent monthly payment will be paid within the first ten (10)  
16 days of each subsequent calendar month until the seventh anniversary of the Effective Date at  
17 which time the then remaining unpaid balance shall be paid in full. GECC will retain its Lien  
18 on the Collateral until the Class 29 Claim is paid in full.

19 Class 30 consists of the Allowed Secured Claim of Bank of the West in the  
20 amount of \$15,000.00 secured by a Lien on Debtor's point of sale equipment located at Store  
21 21. The Class 30 Claim will be amortized over ten (10) years and paid in equal monthly  
22 installments of \$185.50, including principal and interest at 8.44%. The first such monthly  
23 payment will be paid within the first ten (10) days of the first full month following the  
24 Effective Date. Each subsequent monthly payment will be paid within the first ten (10) days  
25 of each subsequent calendar month until the seventh anniversary of the Effective Date at  
26 which time the then remaining unpaid balance shall be paid in full. Bank of the West will

1 retain its Lien on the Collateral until the Class 30 Claim is paid in full.

2 Class 31 consists of the Allowed Secured Claim of US Bank in the amount of  
3 \$56,811.00 as of the Petition Date secured by a Lien on Debtor's furnishings, fixtures,  
4 equipment and leasehold improvements at Store 99, Debtor's headquarters located at 1935  
5 Davcor Street SE in Salem, Oregon. The Class 31 Claim will be paid in equal monthly  
6 installments of \$1,747.82, including principal and interest at 6.44%. The first such monthly  
7 payment will be paid within the first ten (10) days of the first full month following the  
8 Effective Date. Each subsequent monthly payment will be paid within the first ten (10) days  
9 of each subsequent calendar month until the Class 31 Claim is paid in full. US Bank will  
10 retain its Lien on the Collateral until the Class 31 Claim is paid in full.

11 Class 32 consists of the Allowed Secured Claim of GreatAmerica Leasing  
12 Corp. in the amount of \$31,800 as of the Petition Date secured by a Lien on Debtor's  
13 computer equipment which enables credit card processing at restaurants located at six  
14 Oregon locations. The Class 32 Claim will be paid in equal monthly installments of \$1,800,  
15 including principal and interest at 9.99%. The first such monthly payment will be paid  
16 within the first ten (10) days of the first full month following the Effective Date. Each  
17 subsequent monthly payment will be paid within the first ten (10) days of each subsequent  
18 calendar month until the Class 32 Claim is paid in full. GreatAmerica Leasing Corp will  
19 retain its Lien on the Collateral until the Class 32 Claim is paid in full.

20 Class 33 consists of the Allowed Secured Claim of US Bank, which US Bank  
21 asserts is equal to \$985,937.11 arising from its set-off rights against the cash in Debtor's bank  
22 accounts at US Bank as of the Petition Date. Debtor will satisfy the Class 33 Claim as  
23 follows:

- 24 (a) Debtor's agreement, as set forth above, that if Store 13 does not  
25 sell for an amount sufficient to pay the Class 11 and Class 12  
26 Claims in full, or for an amount otherwise satisfactory to US

Bank, Debtor will operate Store 13 and treat the Class 11 and Class 12 Claims as provided above;

(b) Debtor's agreement to pay on the Effective Date approximately \$17,000 to satisfy past due interest relating to Class 15 Claim and \$20,000 to cure delinquencies on the Class 31 Claim;

(c) Debtor's agreement to grant to US Bank a junior deed of trust on Store 99 to secure up to \$425,000 of (i) US Bank's claim arising from Debtor's guarantee to satisfy any deficiency arising from the sale of Store 14, and (ii) any claim US Bank may have as a result of Debtor's failure to treat the Class 11 Claim as provided herein;

(d) the claims described in (c)(i) and (ii) above will not bear interest and Debtor will have no obligation to make any payment on account of such claims until the fifth anniversary of the Effective Date; and

(e) Debtor will maintain its bank accounts at US Bank and at all times maintain a minimum aggregate collected deposits not less than \$250,000 to further secure Debtor's obligation to pay up to \$425,000 of the claims described in (c)(i) and (ii) above.

Class 34 consists of the Allowed Claims of each holder of a Small Unsecured Claim. Each holder of a Class 34 Claim will be paid an amount equal to 20% of such claim within sixty (60) days after the Effective Date.

Class 35 consists of the holders of General Unsecured Claims not included in Class 34. The holders of the Class 35 Claims will receive a total of six (6) semi-annual payments, allocated on a Pro Rata basis to each holder. Each semi-annual payment shall be equal to 60% of Reorganized Debtor's Net Cash Flow during the applicable six month period.

1 The total of the six payments made by Reorganized Debtor must equal not less than \$1.5  
2 million. The first semi-annual payment will be made ninety (90) days after the conclusion of  
3 the first six (6) full calendar months following the Effective Date of this Plan. Each  
4 subsequent semi-annual payment shall be made on each of the next five (5) six-month  
5 anniversaries of the date of the first payment. If the total of the six semi-annual payments is  
6 less than \$1.5 million, Reorganized Debtor shall pay an amount equal to the difference  
7 between \$1.5 million and the sum of the six (6) semi-annual payments at the same time that  
8 Reorganized Debtor makes the last semi-annual payment.

9 Debtor believes that Net Cash Flow available to General Unsecured Creditors  
10 will be approximately \$1,850,000, which is equal to approximately 12% or 13% of the total  
11 Class 35 Claims. Further, Debtor believes that approximately \$450,000 of the \$1,850,000  
12 will be distributed during the first year of the Plan, approximately \$650,000 during the  
13 second year of the Plan, and approximately \$750,000 will be distributed during the third  
14 year.

15 Net Cash Flow will be calculated as set forth in Exhibit 1. Reorganized  
16 Debtor's accountants, currently AKT LLP, will calculate Reorganized Debtor's Net Cash  
17 Flow on a semi-annual basis. An amount equal to 60% of Reorganized Debtor's Net Cash  
18 Flow will be deposited every six (6) months into a designated account held by the Agent.  
19 Prior to the distributions of each semi-annual payment to the holders of the Class 35 Claims,  
20 AKT LLP may review and require Reorganized Debtor to adjust the amount in the account to  
21 ensure that such amount accurately reflects 60% of Reorganized Debtor's total Net Cash  
22 Flow for the applicable six (6) month period. The Agent will distribute the funds in the  
23 account to the holders of the Class 35 Claim on a Pro Rata basis every six (6) months. A  
24 detailed report summarizing the calculation of Net Cash Flow will be available to holders of  
25 Class 35 Claims upon written request to Reorganized Debtor. The Plan provides that the  
26 Bankruptcy Court will retain jurisdiction to resolve disputes relating to the calculation of Net

1 Cash Flow.

2 Class 36 consists of the holders of Interests in Debtor. The holders of such  
3 Interests will retain their Interests following the Effective Date; provided however that the  
4 holders of Interests shall grant a security interest in all of the stock of Reorganized Debtor to  
5 the Agent for the benefit of the holders of the Class 35 Claims, to secure the Interest holders  
6 non-recourse guarantee that Reorganized Debtor will pay at least \$1.5 million to the holders  
7 of Class 35 Claims.

8 The holders of Claims in Classes 10, 13, 17, 18, 19, 22, 23, 26, 27 and 31 are  
9 unimpaired. The holders of Claims for Classes 1-9, 11, 12, 14, 15, 16, 20, 21, 24, 25, 28, 29,  
10 30, 32, 33, 34, 35 and 36 are impaired.

#### 11 **B. EXECUTORY CONTRACTS AND UNEXPIRED LEASES**

12 The Bankruptcy Code gives a debtor, after commencement of a Chapter 11  
13 Case, and subject to the approval of the Bankruptcy Court, the right to assume or reject  
14 executory contracts and unexpired leases. Generally, an "executory contract" is a contract  
15 under which material performance (other than the payment of money) is still due by each  
16 party. Debtor has already obtained orders rejecting certain leases. The Plan provides for the  
17 assumption by Debtor of all the executory contracts and unexpired leases on Exhibit 3  
18 referenced above, which exhibit may be amended at any time prior to the conclusion of the  
19 hearing on confirmation of the Plan. All other executory contracts and unexpired leases will  
20 be rejected.

21 If an executory contract or unexpired lease is or has been rejected, the  
22 Creditor may file a Proof of Claim for damages resulting from that rejection. The Plan  
23 provides that each such Proof of Claim must be filed no later than 30 days after the Effective  
24 Date, whichever is sooner. Each such Claim will constitute a Small Unsecured Claim or  
25 General Unsecured Claim to the extent that Claim is finally treated as an Allowed Claim. A  
26 Claim for damages resulting from the rejection of an unexpired lease will be limited to the

1 amount allowed under the Bankruptcy Code.

2           Upon assumption of an executory contract or unexpired lease, Debtor must  
3 cure or provide adequate assurance of prompt cure of any monetary defaults. Debtor  
4 believes that the only monetary defaults are in regard to the leases for Store 3 (Bend), Store 4  
5 (Milwaukie) and Store 13 (Layton). The defaults in regard to Store 3 and 4 will be cured  
6 within sixty (60) days of the Effective Date, and the default in regard to Store 13 will be  
7 cured in installments as agreed between Debtor and Store 13's landlord as described in  
8 Exhibit 7.

### 9           **C.       IMPLEMENTATION OF THE PLAN**

#### 10           1.       Operations.

11           The Plan provides that the Reorganized Debtor will continue to operate at  
12 least 12 stores, Salem, OR (downtown) which is Store 1, Salem, OR (Lancaster) which is  
13 Store 2, Bend, OR which is Store 3, Milwaukie, OR which is Store 4, Eugene, OR which is  
14 Store 5, Corvallis, OR which is Store 6, Medford, OR which is Store 7, Boise, ID which is  
15 Store 8, Vancouver, WA which is Store 9, Sandy, UT which is Store 11, Beaverton, OR  
16 which is Store 15, and Federal Way, WA which is Store 21. RMG, the consulting firm  
17 engaged by Debtor, has concluded that Debtor is operationally sound, executes consistently  
18 good quality food, and is supported by adequate services and attractive facilities. RMG  
19 believes that, barring an economic depression, a trimmed down Debtor will be able to operate  
20 profitably.

21           To increase its chances of doing so, RMG has recommended that Debtor  
22 implement innovative "game changers" that will result in a fundamental shift for Debtor and  
23 will increase its chance for growth, its ability to attract and retain a broader customer base,  
24 increase visit frequency, and add additional revenue streams. The key will be to maintain  
25 Debtor's well established reputation for fresh seafood while it develops additional awareness  
26 for variety and affordability and positions itself as a viable seven-day a week, lunch or dinner

option. Those "game changers" include:

- Developing and testing new products that are more value oriented, not solely focused on fish, and that will attract a broader base.
- Evaluating menu reengineering to address complexity, variety, value categories and kids/family options and to offset the veto vote of non-seafood people.
- Developing an integrated brand positioning statement and implementing that position through a long term marketing plan.

2. Management.

The Reorganized Debtor will continue to be managed by Mr. McGrath with assistance of Mr. Marshall and Mr. Large. As discussed above, RMG will continue to provide consulting services.

The initial Board of Directors of the Reorganized Debtor will consist of John McGrath and Deborah McGrath, the current members.

The officers of the Reorganized Debtor will be John McGrath, who will continue to serve as President, James R. Marshall, who will continue to serve as Vice President, and Krista Oswald, who will serve as Secretary.

3. Amended Loan Documents.

Within 30 days after the Effective Date, Debtor and each Secured Creditor whose Claim is impaired under the Plan shall enter into amended Loan Documents, satisfactory to both Debtor and the applicable Secured Creditor, necessary to implement the treatment of each Claim set forth in the Plan.

4. Security Interest in Debtor's Stock.

Within 30 days after the Effective Date, (a) Debtor shall enter into an agreement with the Agent pursuant to which the Agent shall hold the stock of Debtor to secure the Interest holders guarantee that Debtor will pay the holders of Class 35 Claims a

1 total of \$1.5 million; (b) the Interest holders will execute an non-recourse guarantee of  
2 Debtor's obligations to the holders of the Class 35 Claims; (c) the Interest holders will  
3 execute a security agreement granting a security interest in all of Debtor's stock to secure the  
4 Interest holders' obligations under their guarantee; and (d) the Interest holders and the Agent  
5 will take all steps reasonably necessary to perfect the security interest.

6 **D. FEASIBILITY**

7 Exhibit 7 to this Disclosure Statement contains Debtor's sales, EBITDA and  
8 Net Cash Flow projections for the three years commencing in September, 2010 (the  
9 "Projections"). The Projections reflect monthly sales assumptions at each restaurant to be  
10 retained by the Reorganized Debtor based upon historical sales at those restaurants, adjusted  
11 for current trends. The Projections assume cumulative annual same store sale increases of  
12 1%. The sales increase in the first year should be readily attainable because Debtor's same  
13 store sales have increased by almost 1% (on a cumulative basis) over the prior year since the  
14 Petition Date. In addition, minimal increases in the price of ancillary items such as soft  
15 drinks will enable the Debtor to meet its projections. In no case during the projection period  
16 do monthly sales forecasted at the individual restaurant level exceed levels historically  
17 achieved by those restaurants. The Projections show the anticipated monthly variation in  
18 sales. The assumptions underlying the Projections are set forth on the first page of the  
19 Projections, and assumptions about the relationship between each major expense category  
20 and net sales are set forth at the bottom of the Projections for each store.

21 The Projections demonstrate that the Reorganized Debtor should be able to  
22 satisfy its obligations under the Plan to both Secured and Unsecured Creditors. Furthermore,  
23 the Projections demonstrate that Debtor will have adequate funds to maintain a reserve for  
24 capital expenditures equal to \$1,500 per month per store.

25 ///

26 ///

**VII. EFFECT OF CONFIRMATION**

**A. DISCHARGE**

The treatment of, and consideration received by, holders of Allowed Claims and Allowed Interests pursuant to the Plan of Reorganization will be in full satisfaction, release and discharge of their respective Claims against or Interests in Debtor. The Confirmation Order will discharge Debtor from any liability that arose before the Effective Date as provided in Sections 524 and 1141 of the Bankruptcy Code, and any debt and liability of a kind specified in Sections 502(g), 502(h) or 502(i) of the Bankruptcy Code, whether or not: (a) a Proof of Claim based on that debt or liability is filed or deemed filed under Section 501 of the Bankruptcy Code; (b) a Claim based on that debt or liability is Allowed; or (c) the holder of the Claim based on that debt or liability has accepted the Plan.

**B. REVESTING, OPERATION OF BUSINESS**

All property of the estate will revert in Reorganized Debtor on the Effective Date, free and clear of all rights, claims, Liens, charges, encumbrances and interests, except as otherwise described in the Plan.

**C. INJUNCTION**

Except as otherwise expressly provided in the Plan, all persons who have held, hold or may hold Claims, or who may have held, hold or may hold any Interest, are permanently enjoined, from and after the Effective Date, from: (a) commencing or continuing in any manner any action or other proceedings of any kind with respect to any Claims or Interests against Reorganized Debtor; (b) enforcing, attaching, collecting or recovering by any manner or any means any judgment, award, decree or order against Reorganized Debtor; (c) creating, perfecting or enforcing any encumbrances of any kind against Reorganized Debtor with respect to those Claims except as specifically described in the Plan; (d) asserting any setoff, right of subrogation or recoupment of any kind against any obligation due to Debtor, Reorganized Debtor or their property unless asserted as a defense

1 to a suit or action filed by Debtor or Reorganized Debtor; and (e) proceeding in any manner  
 2 in any place whatsoever that does not conform to, does not comply with, or is inconsistent  
 3 with the provisions of the Plan or the order confirming the Plan.

4 **D. MODIFICATION OF THE PLAN; REVOCATION OR**  
 5 **WITHDRAWAL OF THE PLAN**

6 Subject to Section 1127 of the Bankruptcy Code, Debtor and Reorganized  
 7 Debtor reserve the right to alter, amend or modify the Plan before its substantial  
 8 consummation so long as the treatment of holders of Claims and Interests under the Plan are  
 9 not adversely affected.

10 **E. RETENTION OF JURISDICTION**

11 Notwithstanding the entry of the Confirmation Order, the Court shall retain  
 12 jurisdiction of this Chapter 11 Case pursuant to and for the purposes set forth in Section  
 13 1127(b) of the Bankruptcy Code and: (a) to classify the Claim or interest of any Creditor or  
 14 equity holder, reexamine Claims or Interests which have been allowed for voting purposes,  
 15 and determine any objections that may be Filed to Claims or Interests; (b) to hear and  
 16 determine any motions or contested matters involving taxes, tax refunds, tax attributes and  
 17 tax benefits and similar or related matters with respect to Debtor or its estate, arising prior to  
 18 the Effective Date or relating to the period of administration of the Chapter 11 Case,  
 19 including, without limitation, matters concerning state, local and federal taxes in accordance  
 20 with Section 346, 505 and 1146 of the Bankruptcy Code; (c) to determine requests for  
 21 payment of Claims entitled to priority under Section 507(a)(2) of the Bankruptcy Code,  
 22 including compensation and reimbursement of expenses in favor of professionals employed  
 23 at the expense of the estate; (d) to hear and determine actions to avoid transfers or recover  
 24 preferences and all other Rights of Action asserted by Debtor pending on the Effective Date  
 25 or asserted by the Reorganized Debtor after the Effective Date; (e) to recover all assets of  
 26 Debtor or the Reorganized Debtor, wherever located; (f) to hear and determine any pending

1 applications for the assumption, assignment or rejection of an executory contract or an  
 2 unexpired lease and the allowance of Claims resulting therefrom; (g) to approve the sale or  
 3 lease of property free and clear of all Liens and encumbrances in accordance with 11 U.S.C.  
 4 § 363 if so requested by Debtor or Reorganized Debtor; (h) to resolve controversies and  
 5 disputes regarding the interpretation of this Plan, and any other controversies or disputes  
 6 relating to implementation of the Plan; (i) to implement the provisions of this Plan and enter  
 7 orders in aid of execution of the Plan or to enforce the Confirmation Order and/or the  
 8 discharge, or the effect of the discharge, provided to Debtor; (j) to adjudicate adversary  
 9 proceedings and contested matters pending or hereafter commenced in this Chapter 11 Case;  
 10 (k) to enter and implement such orders as may be appropriate in the event the Confirmation  
 11 Order is for any reason stayed, revoked, modified or vacated; (l) to hear and determine any  
 12 applications to modify the Plan, to cure any defect or omission, or to reconcile any  
 13 inconsistency in the Plan or related documents or in any order of the Bankruptcy Court,  
 14 including the Confirmation Order; (m) to ensure that distributions to holders of Allowed  
 15 Claims are accomplished as provided herein, including but not limited to, resolving disputes  
 16 regarding the calculation of Net Cash Flow; (n) to hear and determine any other matters  
 17 related hereto and not inconsistent with Chapter 11 of the Bankruptcy Code; and (o) to enter  
 18 a final decree closing this Chapter 11 proceeding.

19 **F. UNITED STATES TRUSTEE FEES**

20 Reorganized Debtor will be responsible for timely payment of fees incurred  
 21 pursuant to 28 USC § 1930(a)(6) until the case is closed, converted or dismissed. After  
 22 confirmation, Reorganized Debtor will serve on the United States Trustee a monthly  
 23 financial report for each full or partial month that the case remains open. The monthly  
 24 financial report will include a statement of all disbursements made during the course of the  
 25 month, whether or not pursuant to the Plan.  
 26

# VIII. LIQUIDATION ANALYSIS

A Plan of Reorganization cannot be confirmed unless the Bankruptcy Court finds that the Plan is in the "best interest of creditors" of holders of Claims against, and Interests in, Debtor subject to the Plan. The best interest test is satisfied if the Plan provides each dissenting or non-voting member of each impaired Class with a recovery not less than the recovery that member would receive if Debtor were liquidated in a hypothetical case under Chapter 7 of the Bankruptcy Code by a Chapter 7 Trustee. Debtor believes that the holders of impaired Claims will receive more under the Plan than they would receive under a Chapter 7 liquidation. In applying the "best interest" test, the Bankruptcy Court would ascertain the hypothetical recovery in a Chapter 7 proceeding to Secured Creditors, priority claimants, General Unsecured Creditors and Interest holders. The hypothetical Chapter 7 recoveries would then be compared with the distribution offered to each Class of Claims or Interests under the Plan to determine that the Plan satisfied the "best interest" test described in the Bankruptcy Code.

In this case there is no doubt that Secured Creditors will either receive a greater return under the Plan than in a Chapter 7 liquidation, or at least the same amount if a Secured Creditor's Collateral is to be liquidated under the Plan. This can be seen easily by comparing the treatment provided in the Plan with the liquidation analysis contained in Exhibit 8.

Similarly the holders of Class 35 Claims will receive a greater return under the Plan than in a Chapter 7 liquidation. Exhibit 8 shows the liquidation value of Debtor's assets. The bottom of that exhibit describes the assumptions on which the values are based.

It is worth noting that the actual efforts to liquidate Debtor's equipment suggest that the liquidation values for equipment are overstated. The values for equipment in Exhibit 8 assume that used restaurant equipment can be sold for 12% of its original cost. Utilizing that assumption would mean that Debtor's equipment at Store 12 (Salt Lake City,

1 Gateway) would be worth approximately \$77,000 in a liquidation setting. However, the  
 2 liquidator who examined that equipment on behalf of KeyBank concluded that the liquidation  
 3 value of the equipment at Store 12 was \$40,000 before the cost of sale. Utilizing the  
 4 assumptions and sources disclosed in Exhibit 8 produces a liquidation value of between  
 5 \$719,000 and \$744,000 before cost of sale. This compares unfavorably with the \$1,850,000  
 6 proposed to be paid to the holders of General Unsecured Claims under the Plan.

7 Not only would the amount realized by the holders of Class 35 Claims in a  
 8 liquidation be substantially inferior to payments under the Plan, the amount of claims in that  
 9 class would be substantially increased and thus the return to each holder would be diluted.  
 10 For example, the appraisal of Store 7 (Medford) states that the value of that store on an  
 11 ongoing basis is \$1,850,000 while the liquidation value is \$1,300,000. Thus, a liquidation of  
 12 that store would increase the amount of General Unsecured Claims by \$550,000. Similarly,  
 13 an appraisal of Store 9 states that it is worth \$2,700,000. However, a broker believes that it  
 14 would be worth not more than \$1,800,000 if liquidated. Thus, a liquidation of Store 9 would  
 15 increase the amount of General Unsecured Claims by \$900,000.

16 For these reasons, the Plan provides for a greater return to the holders of Class  
 17 35 Claims that are in liquidation under Chapter 7.

## 18 **IX. CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN**

19 CIRCULAR 230 DISCLAIMER: TO ENSURE COMPLIANCE WITH  
 20 REQUIREMENTS IMPOSED BY THE INTERNAL REVENUE SERVICE, WE INFORM  
 21 YOU THAT (A) ANY U.S. FEDERAL TAX ADVICE CONTAINED IN THIS  
 22 DISCLOSURE STATEMENT (INCLUDING ANY ATTACHMENTS) IS NOT  
 23 INTENDED OR WRITTEN TO BE USED OR RELIED UPON, AND CANNOT BE USED  
 24 OR RELIED UPON, FOR THE PURPOSE OF (1) AVOIDING TAX-RELATED  
 25 PENALTIES UNDER THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, OR  
 26 (2) PROMOTING, MARKETING OR RECOMMENDING TO ANOTHER PARTY ANY

1 TRANSACTION OR TAX MATTER(S) ADDRESSED IN THIS DISCLOSURE  
2 STATEMENT, AND (B) THIS DISCUSSION WAS WRITTEN IN CONNECTION WITH  
3 DEBTOR SOLICITING ACCEPTANCES OF THE PLAN THROUGH THIS  
4 DISCLOSURE STATEMENT.

5 **A. GENERAL TAX CONSIDERATIONS**

6 The following discussion is a summary of certain material federal income tax  
7 consequences expected to result from the consummation of the Plan. This discussion is for  
8 general information purposes only, and should not be relied upon for purposes of determining  
9 the specific tax consequences of the Plan with respect to a particular holder of an Allowed  
10 Claim or Interest. This discussion does not purport to be a complete analysis or listing of all  
11 potential tax considerations. This discussion does not address aspects of federal income  
12 taxation that may be relevant to a particular holder of an Allowed Claim subject to special  
13 treatment under federal income tax laws (such as foreign taxpayers, broker-dealers, banks,  
14 thrifts, insurance companies, financial institutions, regulated investment companies, real  
15 estate investment trusts and pension plans, and other tax-exempt investors), and does not  
16 discuss any aspects of state, local or foreign tax laws. Furthermore, this summary does not  
17 address federal taxes other than income taxes.

18 This discussion is based on existing provisions of the Internal Revenue Code  
19 of 1986, as amended (the "IRC"), existing and proposed Treasury Regulations promulgated  
20 under the IRC, and current administrative rulings and court decisions. Legislative, judicial or  
21 administrative changes or interpretations enacted or promulgated after the date of this  
22 Disclosure Statement could alter or modify this discussion with respect to the federal income  
23 tax consequences of the Plan. Those changes or interpretations may be retroactive and could  
24 significantly affect the federal income tax consequences of the Plan. No ruling has been  
25 requested or obtained from the Internal Revenue Service (the "IRS"), and no opinion of  
26 counsel has been sought or obtained, with respect to any tax aspects of the Plan. This

1 discussion is not binding on the IRS or the courts and no assurance can be given that the IRS  
2 will not assert, or that a court will not sustain, a different position than any position discussed  
3 in this Section IV. No representations or assurances are being made to the holders of  
4 Allowed Claims or Interests with respect to the federal income tax consequences described in  
5 this Section IX.

6 Accordingly, the following summary of certain federal income tax  
7 consequences of the Plan is for informational purposes only and is not a substitute for careful  
8 tax planning or advice based upon the individual circumstances of each holder of an Allowed  
9 Claim or Interest. Debtor strongly urges each holder of an Allowed Claim or Interest to  
10 consult with its own tax advisors regarding the federal, state, local, foreign, and other tax  
11 consequences of the Plan.

12 **B. FEDERAL INCOME TAX CONSEQUENCES TO DEBTOR**

13 1. In General.

14 Debtor is a corporation that has elected to be treated as an S corporation (as  
15 defined in IRC Section 1361) for federal income tax purposes. As an S corporation, Debtor  
16 is not itself generally subject to federal income tax. Instead, Debtor's shareholders are  
17 required to include on their personal income tax returns the income, gain, loss, and deduction  
18 recognized by Debtor. Accordingly, it is unlikely that there will be any direct federal income  
19 tax liability at the company level. However, due to the uncertainty surrounding certain tax  
20 consequences of the Plan, there is some risk that Debtor's status as an S corporation could  
21 terminate. If this occurred, Debtor would become a C corporation subject to federal income  
22 tax.

23 2. Cancellation of Indebtedness Income.

24 Under the IRC, a taxpayer generally will recognize cancellation of debt  
25 income ("COD Income") upon satisfaction of its outstanding indebtedness for consideration  
26 less than the amount of such indebtedness. The amount of COD Income, in general, is the

1 excess of (a) the adjusted issue price of the indebtedness (in most cases, the amount Debtor  
2 received on incurring the obligation, with certain adjustments) satisfied, over (b) the sum of  
3 the amount of Cash paid and the fair market value of any new consideration given in  
4 satisfaction of the indebtedness.

5           However, IRC Section 108(a) provides an exclusion from gross income for  
6 COD Income, if certain requirements are met. Section 108(a) provides an exclusion  
7 commonly referred to as the "Bankruptcy Exception," where a taxpayer is in bankruptcy and  
8 the discharge is granted, or is effected, pursuant to a plan approved by a bankruptcy court. In  
9 the case of an entity taxable as a corporation, eligibility for the Bankruptcy Exception is  
10 determined at the corporate level. If the Bankruptcy Exception applies (with the effect that  
11 the taxpayer may exclude its COD Income from its gross income), the taxpayer is required,  
12 under IRC Section 108(b), to reduce certain of its tax attributes by the amount of COD  
13 Income excluded from gross income pursuant to the Bankruptcy Exception. The attributes of  
14 the taxpayer that are reduced include any net operating loss for the taxable year of the  
15 discharge, net operating loss carryovers from prior years, general business and minimum tax  
16 credit carryforwards, capital loss carryforwards, the basis of the taxpayer's assets, and foreign  
17 tax credit tax carryforwards. In the S corporation context, the reduction in the basis of assets  
18 is most important. However, a special rule can also require a reduction in certain losses to be  
19 passed through to S corporation shareholders.

20           Debtor will realize COD Income upon the satisfaction of the Small Unsecured  
21 Creditors Claims and General Unsecured Creditor Claims. Debtor believes that the COD  
22 Income realized on that debt satisfaction will be excluded from Debtor's income by the  
23 Bankruptcy Exception, and that certain tax attributes of Debtor are subject to reduction.

24 ///

25 ///

26 ///

**C. FEDERAL INCOME TAX CONSEQUENCES TO THE HOLDERS OF  
AN ALLOWED CLAIM**

**1. Small Unsecured Creditor Claims.**

In accordance with the Plan, the debt owed by Debtor to each holder of a Small Unsecured Creditor Claim will be satisfied by a payment of cash in an amount equal to 20% of that Claim. In general, the amount received by each holder of a Small Unsecured Creditor Claim is treated as an amount received in exchange for the satisfied debt, and those holders will recognize taxable gain or loss equal to the amount received less the holder's tax basis in the Claim. Any gain or loss recognized will be long-term or short-term capital gain or loss or ordinary income or loss, depending upon factors specific to each holder of a Small Unsecured Creditor Claim, including but not limited to: (i) whether all or any part of the Claim is attributable to principal or to interest, (ii) the origin of the Claim, (iii) whether the holder of the Claim reports income on the accrual or cash basis method, and (iv) whether the holder of the Claim has taken a bad debt deduction or otherwise recognized a loss with respect to the Claim.

**2. General Unsecured Creditor Claims.**

In accordance with the Plan, the debt owed by Debtor to the holder of each General Unsecured Creditor Claim will be adjusted so that each General Unsecured Creditor will be entitled to a pro rata share of 60% of the Net Cash Flow generated by the Reorganized Debtor for three years. If this adjustment is considered significant, the holder of each General Unsecured Creditor Claim will recognize taxable gain or loss equal to the difference between the fair market value of the obligation as adjusted and the holder's adjusted basis in the original debt. It may be difficult to place a value on the obligation as adjusted, but gain may nevertheless be recognized. The character and amount of any taxable gain or loss will be determined based on factors specific to the holder of each Claim, as discussed above with respect to Small Unsecured Creditor Claims.

**D. CONSEQUENCES TO HOLDERS OF EQUITY INTERESTS**

Pursuant to the Plan, all of the currently outstanding shares of common stock of Debtor, which shares constitute all of the equity interests of Debtor, will continue. Moreover, if Debtor excludes from its income any COD income under the Bankruptcy Exception, any losses that would otherwise pass through to Debtor's shareholders may be reduced or eliminated.

**E. INFORMATION REPORTING AND BACKUP WITHHOLDING**

Certain payments, including the payments with respect to Claims pursuant to the Plan, are generally subject to information reporting by the payor to the IRS. Moreover, under certain circumstances, the holder of a Claim may be subject to "backup withholding" for payments made pursuant to the Plan, unless the holder either (i) comes within certain exempt categories (which generally include corporations) and, when required, demonstrates this fact, or (ii) provides a correct United States taxpayer identification number and certifies under penalty of perjury that the holder is a United States person, that the taxpayer identification number is correct and that the taxpayer is not subject to backup withholding because of a failure to report all dividend and interest income. Backup withholding is not an additional tax. Amounts withheld under the backup withholding rules may be credited against the holder's United States federal income tax liability, and the holder may obtain a refund of any excess amounts withheld under the backup withholding rules by filing an appropriate claim for refund with the IRS.

**F. IMPORTANCE OF OBTAINING PROFESSIONAL TAX ASSISTANCE**

THE DISCUSSION OF FEDERAL INCOME TAX CONSEQUENCES IN PART IX OF THIS DISCLOSURE STATEMENT IS INTENDED ONLY AS A SUMMARY OF CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN AND IS NOT A SUBSTITUTE FOR CAREFUL TAX PLANNING WITH A TAX

PROFESSIONAL. THIS DISCUSSION IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT TAX ADVICE. THE TAX CONSEQUENCES ARE IN MANY CASES UNCERTAIN AND MAY VARY DEPENDING ON THE PARTICULAR SITUATION OF A HOLDER OF AN ALLOWED CLAIM, OR ANY EQUITY INTEREST HOLDER'S PARTICULAR CIRCUMSTANCES. ACCORDINGLY, DEBTOR URGES EACH HOLDER OF AN ALLOWED CLAIM AND EACH EQUITY INTEREST HOLDER TO CONSULT ITS TAX ADVISOR ABOUT THE FEDERAL, STATE, LOCAL, AND APPLICABLE FOREIGN, INCOME AND OTHER TAX CONSEQUENCES OF THE PLAN.

**X. ACCEPTANCE AND CONFIRMATION OF THE PLAN**

**A. CONFIRMATION HEARING**

The Bankruptcy Court has scheduled a hearing on confirmation of the Plan on \_\_\_\_\_, 2010 at \_\_\_\_\_ Pacific Time. That hearing will be held at the United States Bankruptcy Court for the District of Oregon, Courtroom 6, 405 E. 8th Ave., Eugene, OR 97401 before the Honorable Frank R. Alley III, United States Bankruptcy Judge. At that hearing, the Bankruptcy Court will consider whether the Plan satisfies the various requirements of the Bankruptcy Code, including whether it is feasible and whether it is in the best interest of Creditors and Interest holders of Debtor. Debtor will submit a report to the Bankruptcy Court at that time concerning the votes for acceptance or rejection of the Plan by the parties entitled to vote on it. Any objection to confirmation of the Plan must be timely filed as stated in Section II.E. above.

**B. REQUIREMENTS OF CONFIRMATION**

At the hearing on confirmation, the Bankruptcy Court will determine whether the provisions of Section 1129 of the Bankruptcy Code have been satisfied. If the Plan satisfies all of the provisions of Section 1129, the Bankruptcy Court may enter an order confirming the Plan. Debtor believes the Plan satisfies all of the requirements of Chapter 11

1 of the Bankruptcy Code, that it has complied or will have complied with all of the  
2 requirements of Chapter 11, and that it has been proposed, and is made, in good faith.

3 If the Plan is not accepted by all of the impaired Classes of Claims, the Plan  
4 may be confirmed by the Bankruptcy Court pursuant to Section 1129(b) of the Bankruptcy  
5 Code's "Cram Down" provision if the Plan has been accepted by at least one impaired Class  
6 of Claims, without counting the acceptances of any Insiders of Debtor, and the Bankruptcy  
7 Court determines, among other things, that the Plan "does not discriminate unfairly" and is  
8 "fair and equitable" with respect to each non-accepting impaired Class of Claims or Interests.

9 Debtor believes that the Plan can be confirmed even if it is not accepted by all  
10 impaired Classes of holders of Secured Claims because the treatment accorded to each holder  
11 of a Secured Claim meets the requirements of the Bankruptcy Code. However, the Plan as  
12 presently constituted cannot be "Crammed Down" against a dissenting Class of Unsecured  
13 Creditors. In general, a plan can only be "Crammed Down" against a class of unsecured  
14 creditors if the plan provides that (a) the claims in that class are to be paid in full, or (b) the  
15 holders of equity interests do not receive or retain anything on account of their interests. The  
16 Plan does not meet either standard. Debtor believes that the Plan provides a better return to  
17 Unsecured Creditors than any realistic alternative. Therefore, Debtor believes both Classes of  
18 Unsecured Creditors will accept the Plan by the requisite majorities. However, if a Class of  
19 Unsecured Creditors rejects the Plan, the Plan, as presently constituted, will have to be  
20 amended, a new plan will have to be proposed, or this case may be converted to a case under  
21 Chapter 7 in which case the Debtor will be liquidated.

### 22 C. RISK FACTORS

23 There are a number of risks associated with Debtor's proposed Plan. Each  
24 Creditor should carefully consider those risks in evaluating its vote on the Plan. All of the  
25 risks associated with the Plan would be too numerous to identify, however, a few of those  
26 risks are set forth below.

1                   1.       General Economic Conditions.

2                   Restaurant spending is, in many cases, discretionary, and any further increase  
3 in unemployment in the relevant markets or any other deterioration in the general economy  
4 will almost certainly have a negative impact on sales and profits.

5                   2.       Value Competition.

6                   Competition in the current economy has shifted from food quality and service  
7 to a value proposition. Value oriented competition among national chains (e.g., TGI Friday's  
8 "Buy One Get One Free" entre promotion and Applebee's 2 for \$20 promotion) will continue  
9 to challenge Debtor. In addition, new casual dining restaurants, and even fast casual and  
10 quick service competitors, in a store's market area, could draw customers away from Debtor's  
11 restaurants.

12                   3.       Commodity Prices/COGS.

13                   Because Debtor's restaurants specialize in fresh fish offerings, Debtor is faced  
14 with significantly greater price volatility than its competitors in the casual dining segment.  
15 In addition, fuel shortages appear to have a greater impact on fresh fish items as they must be  
16 shipped more frequently because of their relatively short shelf life. Although the ingredients  
17 in Debtor's menu offerings are of above average quality, they are, nevertheless, commodities.  
18 Reductions in the supply of those products due to weather or other factors, or increases in  
19 demand from other sources, could increase the costs of those ingredients.

20                   4.       Health and Diet.

21                   Customers' changing health and dietary preferences could affect menu items  
22 and product mix and force Debtor to change its offerings. Trans fat elimination is one  
23 example but speaks to all areas of dietary change. In addition, as evidenced by recent public  
24 fears regarding the safety of spinach, peanuts and various meat products, the occurrence of  
25 any food borne illnesses, or health threats associated with fish or any other staples on  
26 Debtor's menu could impair sales, whether the threat occurs at one of Debtor's restaurants, at

1 a competitor's restaurant, or generally in the food supply chain.

2 5. Changes in Eating Habits or Preferences.

3 As evidenced by the current sushi craze, food preferences are somewhat  
4 faddish. If Debtor's menu offerings fall out of favor, that would negatively affect sales.

5 6. Labor.

6 While its competitors face the same pressures, the fact that many of Debtor's  
7 restaurants are located in states that do not allow employers to credit tip income against their  
8 minimum wage obligations means that Debtor's labor costs are high in those locations. In  
9 addition, there is a risk that states could increase their minimum wages, which would further  
10 increase labor costs.

11 7. Footprints.

12 The large footprint of Debtor's restaurants exposes Debtor to staffing and  
13 utility risks.

14 8. Projected Financial Results.

15 Debtor's projected financial results reflect management's best estimate of the  
16 Reorganized Debtor's future financial performance based on currently known facts and  
17 hypothetical assumptions about, among other matters, the timing, confirmation and  
18 consummation of the Plan in accordance with its terms, the anticipated future performance of  
19 the Reorganized Debtor, and general economic conditions. Many of these factors are beyond  
20 the Reorganized Debtor's control. As a consequence, the actual financial results may differ  
21 significantly from the projections. Specifically, the Reorganized Debtor may not be able to  
22 meet the projected financial results or achieve the revenue or cash flow that it has assumed in  
23 projecting future business prospects.

24 9. Claim Amounts.

25 The Claims estimates in this Disclosure Statement are based on various  
26 assumptions. The actual Allowed Claim amounts may differ significantly from these

estimates should one or more of Debtor's underlying assumptions prove to be incorrect. Those differences may materially and adversely affect the percentage recovery to holders of Claims under the Plan.

#### **D. ALTERNATIVES TO CONFIRMATION OF THE PLAN**

If a Plan is not confirmed, Debtor or another party in interest may attempt to formulate or propose a different Plan or Plans of Reorganization. Those Plans might involve a reorganization and continuation of Debtor's business, a sale of Debtor's businesses as a going concern, an orderly liquidation of Debtor's assets or any combination of those options. If the Bankruptcy Court determines that a Plan of Reorganization is not confirmable, the Chapter 11 Case may be converted to a liquidation proceeding under Chapter 7 of the Bankruptcy Code.

In a liquidation, a Chapter 7 Trustee would be appointed for the purpose of liquidating Debtor's assets. Typically, in a liquidation, assets are sold for less than their going concern value and, accordingly, the return to Creditors and Interest holders is less than the return in a reorganization, which derives the value to be distributed in a Plan from the business as a going concern. Proceeds from liquidation would be distributed to Creditors and Interest holders of Debtor in accordance with the priorities set forth in the Bankruptcy Code.

Debtor believes there is no currently available alternative that would offer holders of Claims and Interests in Debtor greater than the return proposed by the Plan, and Debtor urges all holders of Claims that are entitled to vote on the Plan to vote to accept the Plan.

#### **XI. CONCLUSION**

Please read this Disclosure Statement and the Plan carefully. After reviewing all the information and making an informed decision, please vote by using the enclosed

///

///

1 ballot. Make sure you deliver your ballot to Debtor by the deadline described in Part II of  
2 this Disclosure Statement.

3 DATED this 8th day of June, 2010.

4 Respectfully submitted,  
5 McGRATH'S PUBLICK FISH HOUSE, INC.

6 By /s/ John P. McGrath

7 John P. McGrath, President

8 Presented by:  
9 TONKON TORP LLP

10 By /s/ Leon Simson

11 Leon Simson, OSB No. 75342  
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# EXHIBIT 1

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IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF OREGON

In re

McGrath's Publick Fish House, Inc.,

Debtor.

Case No. 10-60500-fra11

**DEBTOR'S FIRST AMENDED  
PLAN OF REORGANIZATION  
(Dated June 8, 2010)**

**TABLE OF CONTENTS**

ARTICLE 1	DEFINITIONS.....	3
ARTICLE 2	UNCLASSIFIED CLAIMS .....	9
ARTICLE 3	CLASSIFICATION AND TREATMENT OF CLAIMS .....	10
ARTICLE 4	DISPUTED CLAIMS; OBJECTIONS TO CLAIMS.....	25
ARTICLE 5	IMPLEMENTATION OF THE PLAN.....	26
ARTICLE 6	EXECUTORY CONTRACTS AND UNEXPIRED LEASES.....	28
ARTICLE 7	EFFECT OF CONFIRMATION .....	33
ARTICLE 8	MODIFICATION, REVOCATION OR WITHDRAWAL OF THE PLAN ....	33
ARTICLE 9	RETENTION OF JURISDICTION .....	34
ARTICLE 10	MISCELLANEOUS PROVISIONS.....	36

McGrath's Publick Fish House, Inc., as debtor and debtor-in-possession,  
proposes this First Amended Plan of Reorganization ("Plan") pursuant to Section 1121(a) of  
Title 11 of the United States Code.

## ARTICLE 1

### DEFINITIONS

Definitions of certain terms used in this Plan are set forth below. Other terms  
are defined in the text of this Plan or the text of the Disclosure Statement. In either case,  
when a defined term is used, the first letter of each word in the defined term is capitalized.  
Capitalized terms used and not defined in this Plan or the Disclosure Statement shall have the  
meanings given in the Bankruptcy Code or Bankruptcy Rules or otherwise as the context  
requires. The meanings of all terms shall be equally applicable to both the singular and  
plural, and masculine and feminine, forms of the terms defined. The words "herein,"  
"hereof," "hereto," "hereunder" and others of similar import, refer to the Plan as a whole and  
not to any particular section, subsection or clause contained in the Plan. Captions and  
headings to articles, sections and exhibits are inserted for convenience of reference only and  
are not intended to be part of, or to affect the interpretation of, the Plan. The rules of  
construction set forth in Section 102 of the Bankruptcy Code shall apply. In computing any  
period of time prescribed or allowed by the Plan, the provisions of Bankruptcy Rule 9006(a)  
shall apply.

1.1. "Administrative Expense Claim" means any Claim entitled to the priority  
afforded by Sections 503(b) and 507(a)(2) of the Bankruptcy Code.

1.2. "Agent" means John Mitchell, or his successor, who will (a) receive, hold and  
distribute payments received from the Debtor for the benefit of the holders of General  
Unsecured Claims described in Class 35 and (b) receive and hold the stock of the Debtor to  
secure the Interest holders guarantee that Debtor will pay the holders of Class 35 Claims at  
least a total of \$1.5 million.

1.3. "Allowance Date" means the date that a Claim is Allowed.

1.4. "Allowed" means, with respect to any Claim, proof of which has been properly Filed or, if no Proof of Claim was so Filed, which was or hereafter is listed on the Schedules as liquidated in amount and not disputed or contingent, and, in either case, (a) a Claim as to which no objection to the allowance thereof, or motion to estimate for purposes of allowance, shall have been Filed on or before any applicable period of limitation that may be fixed by the Bankruptcy Code, the Bankruptcy Rules and/or the Bankruptcy Court, or (b) if an objection, or a motion to estimate for purposes of allowance, has been Filed, there has been a Final Order entered with regard to such objection or motion fixing the amount of such Claim.

1.5. "Allowed Secured Claim" means an Allowed Claim that is secured by a Lien, security interest or other charge against or interest in property in which the Debtor has an interest or that is subject to setoff under Section 553 of the Bankruptcy Code, to the extent of the value of the interest of the holder of such Claim in the Debtor's interest in such property or to the extent of the amount subject to setoff, as the case may be.

1.6. "Allowed Unsecured Claim" means an Allowed Claim that is not an Allowed Secured Claim, Administrative Expense Claim, Priority Tax Claim or Other Priority Claim.

1.7. "Available Cash" At any particular time means all Cash Proceeds, including Unclaimed Cash that was originally disbursed pursuant to the Plan, and not designated as Reserved Funds.

1.8. "Avoidance Actions" means all claims and causes of action of the Debtor or its estate arising under Chapter 5 of the Bankruptcy Code.

1.9. "Bankruptcy Code" means the Bankruptcy Reform Act of 1978, as amended from time to time, set forth in Sections 101 et seq. of Title 11 of the United States Code.

1.10. "Bankruptcy Court" means the United States Bankruptcy Court for the District of Oregon, or such other court that exercises jurisdiction over this Chapter 11 Case or any

1 proceeding therein, including the United States District Court for the District of Oregon, to  
2 the extent that the reference to this Chapter 11 Case or any proceeding therein is withdrawn.

3 1.11. "Bankruptcy Rules" means, collectively, the Federal Rules of Bankruptcy  
4 Procedure, as amended and promulgated under Section 2075, Title 28, of the United States  
5 Code, and the local rules and standing orders of the Bankruptcy Court.

6 1.12. "Business Day" means a day other than a Saturday, Sunday or other day on  
7 which banks in Portland, Oregon are authorized or required by law to be closed.

8 1.13. "Cash" means lawful currency of the United States of America, funds held in  
9 deposit or other accounts at financial institutions, and cash equivalents.

10 1.14. "Chapter 11 Case" means the case under Chapter 11 of the Bankruptcy Code  
11 with respect to the Debtor pending in the United States Bankruptcy Court for the District of  
12 Oregon, administered as McGrath's Publick Fish House, Inc., Case No. 10-60500-fra11.

13 1.15. "Claim" means (a) any right to payment from Debtor arising before the  
14 Effective Date, whether or not such right is reduced to judgment, liquidated, unliquidated,  
15 fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured or  
16 unsecured; or (b) any right to an equitable remedy against Debtor arising before the Effective  
17 Date for breach of performance if such breach gives rise to a right of payment from Debtor,  
18 whether or not such right to an equitable remedy is reduced to judgment, fixed, contingent,  
19 matured, unmatured, disputed, undisputed, secured or unsecured. "Claim" shall exclude any  
20 claim or right to payment of the kind specified in Sections 726(a)(4) and (5) of the  
21 Bankruptcy Code.

22 1.16. "Class" means one of the classes of Claims defined in Article 3 hereof.

23 1.17. "Collateral" means any property in which Debtor has an interest that is subject  
24 to a Lien or security interest securing the payment of an Allowed Secured Claim.

25 1.18. "Confirmation Order" means the order of the Bankruptcy Court confirming  
26 the Plan in accordance with the provisions of Chapter 11 of the Bankruptcy Code.

1.19. "Creditor" means any entity holding a Claim against Debtor.

1.20. "Debtor" means McGrath's Publick Fish House, Inc., as Debtor and Debtor-in-Possession in this Chapter 11 Case.

1.21. "Disclosure Statement" means the Debtor's Disclosure Statement as amended, modified, restated or supplemented from time to time, pertaining to the Plan.

1.22. "Disputed Claim" means a Claim with respect to which a Proof of Claim has been timely Filed or deemed timely Filed under applicable law, and as to which an objection was timely Filed and has neither been withdrawn nor denied by a Final Order, or a Claim as to which a Proof of Claim has not been Filed and which has been listed on Debtor's Schedules as disputed, contingent of unliquidated and no Final Order has been entered allowing such Claim in whole or in part.

1.23. "Effective Date" means the first Business Day after the Confirmation Order becomes a Final Order.

1.24. "Filed" means filed with the Bankruptcy Court in this Chapter 11 Case or other court of competent jurisdiction.

1.25. "Final Order" means an order or judgment entered on the docket by the Clerk of the Bankruptcy Court or any other court exercising jurisdiction over the subject matter and the parties (a) that has not been reversed, stayed, modified or amended; and (b) as to which no stay is pending.

1.26. "General Unsecured Claim" means an Unsecured Claim that is not a Small Unsecured Claim.

1.27. "Interests" means all rights of the owners of the issued and outstanding shares of common stock of the Debtor.

1.28. "Lien" has the meaning defined in Section 101(37) of the Bankruptcy Code, including liens held by taxing authorities.

1.29. "Loan Documents" means all documents executed by Debtor that evidence indebtedness owed by Debtor, including, without limitation, promissory notes, loan agreements, lease agreements, financing agreements, and related guaranties, as well as all related documents, including but not limited to documents evidencing the creation or perfection of Liens, such as deeds of trust, mortgages, security agreements and financing statements, as well as all amendments and modifications to any of the foregoing.

1.30. "Net Cash Flow" means Debtor's net sale proceeds less (a) cost of goods sold, (b) labor, (c) operating expenses, (d) administrative expenses, (e) U.S. Trustee fees, and (f) debt service payments, all as more particularly described in Exhibit 1 attached hereto.

1.31. "Other Priority Claim" means any Claim for an amount entitled to priority in right of payment under Section 507(a)(3), (4), (5), (6) or (7) of the Bankruptcy Code.

1.32. "Petition Date" means February 3, 2010, the date on which the petition commencing this Chapter 11 Case was filed.

1.33. "Plan" means this Plan of Reorganization, as amended, modified, restated or supplemented from time to time.

1.34. "Potential Rejection Claim" means an undetermined and unliquidated Claim that would arise from the rejection of an executory contract or unexpired lease to which Debtor is a party or by which it is bound.

1.35. "Priority Tax Claim" means a Claim of a governmental unit of the kind entitled to priority under Section 507(a)(8) of the Bankruptcy Code.

1.36. "Pro Rata" means the ratio of an Allowed Claim in a particular Class to the aggregate amount of all Allowed Claims in that Class.

1.37. "Rejection Claim" means a Claim arising from the rejection of an unexpired lease or executory contract pursuant to this Plan or Final Order of the Bankruptcy Court.

1.38. "Reorganized Debtor" means Debtor from and after the Effective Date.

1.39. "Reserved Funds" means, at any particular time, Cash equal to the aggregate of (a) the Cash in the Unpaid Claims Reserve Fund; and (b) the amount while in Reorganized Debtor's reasonable judgment is necessary to pay Allowed but unpaid Secured Claims, Priority Tax Claims, Other Priority Claims, and Administrative Expense Claims on the terms provided in the Plan. Any Cash that does not constitute Reserved Funds shall be Available Cash.

1.40. "Restated Articles of Incorporation" means the Restated Articles of Incorporation of the Debtor, which shall, among other things, modify and amend Debtor's Articles of Incorporation to prohibit the issuance of non-voting equity securities to the extent required by Section 1123(a)(6) of the Bankruptcy Code to be adopted effective as of the Effective Date.

1.41. "Rights of Action" means any and all claims, demands, rights, actions, causes of suits, and suits of the Debtor or the estate, of any kind or character whatsoever, known or unknown, suspected or unsuspected, whether arising before, on or after the Petition Date, in contract or in tort, at law or in equity or under any theory of law, including, but not limited to (1) derivative claims, (2) rights of setoff, counterclaim, or recoupment, and claims on contract and for breaches of duties imposed by law, (3) the right to object to Claims or Interests, (4) claims pursuant to § 362 of the Bankruptcy Code, (5) such claims and defenses as fraud, mistake, duress, and usury, and (6) Avoidance Actions.

1.42. "Schedules" means the Schedules of Assets and Liabilities and the Statement of Financial Affairs Filed by Debtor pursuant to Section 521 of the Bankruptcy Code, as amended, modified, restated or supplemented from time to time.

1.43. "Secured Claim" means any Claim against Debtor held by any entity to the extent such Claim constitutes a secured Claim under Sections 506(a) or 1111(b) of the Bankruptcy Code.

1.44. "Small Unsecured Claim" means an Unsecured Claim for an amount that is equal to or less than \$2,500.

1.45. "Unclaimed Cash" means Cash (together with any interest earned thereon) that is unclaimed by a Creditor following a distribution pursuant to the Plan and includes Cash attributable to (a) checks that have been returned as undeliverable without a proper forwarding address, (b) checks that have not been cashed within 90 days after the date such checks were mailed (whether or not distributed pursuant to the Plan), and (c) checks that were not mailed or delivered because of the absence of a proper address to which to mail or deliver such property. Unclaimed Cash is Available Cash because Unclaimed Cash is not within the Unpaid Claims Reserve Fund and, therefore, is not within the definition of Reserved Funds.

1.46. "Unpaid Claims Reserve Fund" at any particular time means the aggregate of: (a) Cash reserved for the benefit of holders of Disputed Claims; and (b) the Cash reserved for the benefit of holders of Potential Rejection Claims.

1.47. "Unsecured Claim" means an unsecured Claim that is not an Administrative Claim, a Secured Claim, a Tax Claim or an Other Priority Claim.

1.48. "Utility Deposits" means deposits with utilities made by Debtor after the Petition Date pursuant to Section 366(b) of the Bankruptcy Code.

## ARTICLE 2

### UNCLASSIFIED CLAIMS

2.1. Administrative Expense Claims. Each holder of an Allowed Administrative Expense Claim shall be paid in full from Available Cash within sixty (60) days after the Effective Date or within five (5) days after the Allowance Date, whichever is later, unless such holder shall in writing agree to a different treatment of such Claim (including, without limitation, any different treatment that may be provided for in any documentation, statute or regulation governing such Claim); provided, however, that Administrative Expense Claims

1 representing obligations incurred in the ordinary course of business by Debtor during this  
 2 Chapter 11 Case shall be paid by Debtor in the ordinary course of business and in accordance  
 3 with any terms and conditions of the particular transaction and any agreements relating  
 4 thereto.

5 2.2. Priority Tax Claims. Each holder of an Allowed Priority Tax Claim shall be  
 6 paid by the Reorganized Debtor the full amount of its Allowed Priority Tax Claim within  
 7 sixty (60) days after the Effective Date or within five (5) days after the Allowance Date,  
 8 whichever is later.

9 2.3. Other Priority Claims. Each holder of an Allowed Other Priority Claim shall  
 10 be paid by the Reorganized Debtor the full amount of its Allowed Other Priority Claim  
 11 within sixty (60) days after the Effective Date or within five (5) days after the Allowance  
 12 Date, whichever is later.

13 2.4. Bankruptcy Fees. Fees payable by Debtor under 28 USC § 1930, or to the  
 14 Clerk of the Bankruptcy Court, will be paid in full in Cash within ten (10) days after the  
 15 Effective Date. Thereafter, the Reorganized Debtor shall continue to pay quarterly fees of  
 16 the Office of the United States Trustee and to file quarterly reports with the Office of the  
 17 United States Trustee until this case is closed by the Court, dismissed or converted. This  
 18 requirement is subject to any amendments to 28 USC § 1930(a)(6) that Congress makes  
 19 retroactively applicable to confirmed Chapter 11 cases.

### 20 **ARTICLE 3**

#### 21 **CLASSIFICATION AND TREATMENT OF CLAIMS**

22 For purposes of this Plan, Claims (except those treated under Article 2 of the  
 23 Plan) are classified and will be treated as provided below. A Claim is classified in a  
 24 particular Class only to the extent that such Claim qualifies within the description of such  
 25 Class, and is classified in a different Class to the extent that such Claim qualifies within the  
 26 description of such different Class.

Class 1 consists of the Allowed Secured Claim of GE CFBP in the amount of \$1,124,800 as of the Petition Date secured by its Lien against the real estate improvements and restaurant equipment and furniture at Debtor's restaurant located at 3805 Center Street NE at Lancaster Mall in Salem, Oregon ("Store 2"). The Class 1 Claim will be paid in equal monthly installments of \$14,621, including principal and interest at 8.90%. The first such monthly payment will be paid within the first ten (10) days of the first full month following the Effective Date. Each subsequent monthly payment will be paid within the first ten (10) days of each subsequent calendar month until the Class 1 Claim is paid in full. GE CFBP will retain its Lien on the Collateral until the Class 1 Claim is paid in full.

Class 2 consists of the Allowed Secured Claim of Key Equipment Finance in the amount of \$575,933 as of the Petition Date secured by its Lien against Debtor's furniture, fixtures and equipment at the restaurant located at 350 Circle Boulevard in Corvallis, Oregon ("Store 6"). The Class 2 Claim will be paid in equal monthly installments of \$6,479.83, including principal and interest at 6%. The first such monthly payment will be paid within the first ten (10) days of the first full month following the Effective Date. Each subsequent monthly payment will be paid within the first ten (10) days of each subsequent calendar month until the Class 2 Claim is paid in full. Key Equipment Finance will retain its Lien on the Collateral until the Class 2 Claim is paid in full.

Class 3 consists of the Allowed Secured Claim of KeyBank in the amount of \$1,383,590 as of the Petition Date secured by its Lien against Debtor's real property at the restaurant located at 68 E Stewart Avenue in Medford, Oregon ("Store 7"). The Class 3 Claim will be amortized over 15 years with interest at 6% per annum. The Class 3 Claim will be paid in equal monthly installments of \$12,100 which include principal and interest. The first such monthly payment will be paid within the first ten (10) days of the first full month following the Effective Date. Each subsequent monthly payment will be paid within the first ten (10) days of each subsequent calendar month until the fifth anniversary of the

1 first monthly payment at which time the then remaining unpaid balance shall be paid in full.

2 KeyBank will retain its Lien on the Collateral until the Class 3 Claim is paid in full.

3 Class 4 consists of the Allowed Secured Claim of Sterling in the amount of  
4 \$4,800,000 secured by a senior Lien against Debtor's real and personal property at the  
5 restaurant located at 12501 SE Second Circle in Vancouver, Washington ("Store 9"), and a  
6 junior Lien on Debtor's real property and fixtures and a senior Lien against the equipment  
7 and furniture at Store 7, and a senior Lien against Debtor's real and personal property at the  
8 restaurant located at 10435 W Colfax Drive in Lakewood, Colorado ("Store 20"). The Class  
9 4 Claim will be paid as follows:

10 (a) \$2,700,000 of the Class 4 Claim will be amortized over twenty (20)  
11 years with interest at 6% per annum. This portion of the Class 4 Claim will be paid in sixty  
12 (60) equal installments of principal and interest of \$19,344. The first such monthly payment  
13 will be paid within the first ten (10) days of the first full month following the Effective Date.  
14 Each subsequent monthly payment will be paid within the first ten (10) days of each  
15 subsequent calendar month until the fifth anniversary of the first monthly payment at which  
16 time the then remaining unpaid balance shall be paid in full. This \$2,700,000 obligation will  
17 be evidenced by a promissory note and secured by a first Lien against the real property and a  
18 second Lien against the personal property at Store 9;

19 (b) \$400,000 of the Class 4 Claim will be amortized over twenty (20)  
20 years with interest at 6% per annum. This portion of the Class 4 Claim will be paid in equal  
21 installments of principal and interest of \$2,865.80. The first such monthly payment will be  
22 paid within the first ten (10) days of the first full month following the Effective Date. Each  
23 subsequent monthly payment will be paid within the first ten (10) days of each subsequent  
24 calendar month until the fifth anniversary of the first monthly payment at which time the then  
25 remaining unpaid balance shall be paid in full. This \$400,000 obligation will be evidenced  
26

1 by a promissory note and secured by a junior Lien against the real property and a senior Lien  
2 against the equipment and furniture at Store 7; and

3 (c) \$1,700,000 of the Class 4 Claim will be satisfied by either a sale of  
4 Store 20 on terms satisfactory to Sterling or by granting a deed in lieu of foreclosure  
5 conveying Store 20 to Sterling. Debtor will list and attempt to sell Store 20 for a period of  
6 six (6) months following the Effective Date. If Store 20 is sold, \$1,700,000 of the Class 4  
7 Claim will be deemed satisfied. If Store 20 does not sell within the six (6) month period, the  
8 Reorganized Debtor will deliver to Sterling a deed in lieu of foreclosure conveying Store 20  
9 to Sterling in satisfaction of \$1,700,000 of the Class 4 Claim. Debtor will continue to  
10 operate Store 20 during the period that it is being offered for sale. Any positive Net Cash  
11 Flow that results from operations during the sale period will be paid first towards satisfaction  
12 of the tax Liens that encumber Store 20, and then to Sterling to reduce the Class 4 Claim.  
13 This \$1,700,000 obligation will be evidenced by a non-interest bearing promissory note and  
14 secured by a deed of trust against the assets of Store 20.

15 Class 5 consists of the Allowed Secured Claim of SBA in the amount of  
16 \$95,000 secured by its senior Lien against Debtor's personal property and equipment at Store  
17 9, and its junior Lien against Debtor's personal property and equipment at Store 20. The  
18 Class 5 Claim will be paid in sixty (60) equal monthly installments of \$1,831.98 including  
19 principal and interest at 5.895% per annum. The first such monthly payment will be paid  
20 within the first ten (10) days of the first full month following the Effective Date. Each  
21 subsequent monthly payment will be paid within the first ten (10) days of each subsequent  
22 calendar month until the Class 5 Claim is paid in full. SBA will retain its Lien on the  
23 Collateral at Store 9 until the Class 5 Claim is paid in full, but its Lien on the Collateral at  
24 Store 20 shall be extinguished on the Effective Date to facilitate the sale of Store 20.

25 Class 6 consists of the Allowed Secured Claim of KeyBank in an amount  
26 equal to the value of Debtor's interest in the building and improvements located at 860 West

1 1250 South in Orem, Utah ("Store 10"), which amount is uncertain but is less than the  
2 balance owing to KeyBank. The Class 6 Claim is secured by a Lien against such building  
3 and improvements. The Class 6 Claim will be satisfied by Debtor's sale of its interest in the  
4 building and improvements at Store 10 and the payment of the proceeds up to the amount of  
5 the Class 6 Claim, or the conveyance of Debtor's interest in such property, to KeyBank.

6 Class 7 consists of the Allowed Secured Claim of Key Equipment Finance in  
7 an amount equal to the value of Debtor's fixtures and equipment at Store 10, which amount is  
8 uncertain but is less than the balance owing to Key Equipment Finance. The Class 7 Claim is  
9 secured by a Lien against such fixtures and equipment. The Class 7 Claim will be satisfied  
10 by Debtor's sale of its interest in the fixtures and equipment at Store 10 and the payment of  
11 the proceeds up to the amount of the Class 7 Claim, or the conveyance of such property, to  
12 Key Equipment Finance.

13 Class 8 consists of the Allowed Secured Claim of KeyBank in the amount of  
14 \$637,500 secured by a Lien on Debtor's interest in the real property at the restaurant located  
15 at 10950 S. State Street in Sandy, Utah ("Store 11"). The Class 8 Claim will be paid in equal  
16 monthly installments of \$5,843.75, including principal and interest at 6%. The first such  
17 monthly payment will be paid within the first ten (10) days of the first full month following  
18 the Effective Date. Each subsequent monthly payment will be paid within the first ten (10)  
19 days of each subsequent calendar month until the Class 8 Claim is paid in full. KeyBank will  
20 retain its Lien on the Collateral until the Class 8 Claim is paid in full.

21 Class 9 consists of the Allowed Secured Claim of Key Equipment Finance in  
22 the amount of \$112,500 secured by a Lien on Debtor's fixtures and equipment at Store 11.  
23 The Class 9 Claim will be paid in equal monthly installments of \$2,437.50, including  
24 principal and interest at 6%. The first such monthly payment will be paid within the first ten  
25 (10) days of the first full month following the Effective Date. Each subsequent monthly  
26 payment will be paid within the first ten (10) days of each subsequent calendar month until

1 the Class 9 Claim is paid in full. Key Equipment Finance will retain its Lien on the  
 2 Collateral until the Class 9 Claim is paid in full.

3 Class 10 consists of the Allowed Secured Claim of Key Equipment Finance  
 4 secured by a Lien on Debtor's personal property at the restaurant located at 190 South 400  
 5 West in Salt Lake City, Utah ("Store 12"). The Class 10 Claim has been satisfied by Debtor's  
 6 surrender of its personal property to Key Equipment Finance.

7 Class 11 consists of the Allowed Secured Claim of US Bank in the amount of  
 8 \$860,902 secured by a Lien on Debtor's interest in the real property at the restaurant located  
 9 at 908 Main Street in Layton, Utah ("Store 13"). Debtor will list for sale its interest in the  
 10 real property (together with its interest in the furniture, fixtures and equipment) through  
 11 December 1, 2010, or such further period as may be agreed upon by Debtor, US Bank and  
 12 US Bancorp. During the listing period Debtor will operate Store 13. Debtor will not be  
 13 obligated to make any debt service payments during the listing period. Net Cash Flow  
 14 derived from operations during the listing period will be used to pay taxes which are the  
 15 delinquent part of the rent owing to the landlord of Store 13. Proceeds from the sale of Store  
 16 13 will be used first to pay the Class 11 Claim as well as the Class 12 Claim described below.  
 17 If Store 13 is sold for less than the total amount of the Class 11 and Class 12 Claims, that  
 18 portion of the purchase price attributable to Debtor's interest in the real property will be  
 19 deemed to satisfy the Class 11 Claim in full. If Store 13 is not sold during the listing period,  
 20 Store 13 will be included as part of the Reorganized Debtor. The Class 11 Claim will be  
 21 amortized over twenty (20) years at interest at 6% per annum and paid in equal monthly  
 22 installments of \$6,167.77 which includes principal and interest. The first such monthly  
 23 payment will be paid within ten (10) days of the first full month following the expiration of  
 24 the listing period. Each subsequent monthly payment will be paid within the first ten (10)  
 25 days of each subsequent month until the seventh anniversary of the first payment at which  
 26

1 time the then remaining unpaid balance will be paid in full. US Bank will retain its Lien on  
 2 the Collateral until the Class 11 Claim is paid in full.

3 Class 12 consists of the Allowed Secured Claim of US Bancorp in the amount  
 4 of \$198,050 secured by a Lien on Debtor's furniture, fixtures, equipment and personal  
 5 property at Store 13. Debtor will list for sale its interest in the furniture, fixtures and  
 6 equipment (together with the real property) through December 1, 2010, or such further period  
 7 as may be agreed upon by Debtor, US Bank and US Bancorp. During the listing period  
 8 Debtor will operate Store 13. Debtor will not be obligated to make any debt service  
 9 payments during the listing period. Net Cash Flow derived from operations during the listing  
 10 period will be used to pay taxes which are the delinquent part of the rent owing to the  
 11 landlord of Store 13. Proceeds from the sale of Store 13 will be used first to pay the Class 12  
 12 Claim as well as the Class 11 Claim described above. If the proceeds from the sale of Store  
 13 13 are insufficient to pay the Class 12 Claim in full the holder of the Class 12 Claim will be  
 14 entitled to a deficiency claim to be paid as discussed in the treatment of the Class 35 Claim  
 15 below. If Store 13 is not sold during the listing period, Store 13 will be included as part of  
 16 the Reorganized Debtor. The Class 12 Claim will be paid with interest at 6.6% per annum  
 17 and paid in equal monthly installments of \$1,558.62 which includes principal and interest.  
 18 The first such monthly payment will be paid within ten (10) days of the first full month  
 19 following the expiration of the listing period. Each subsequent monthly payment will be paid  
 20 within the first ten (10) days of each subsequent month until the seventh anniversary of the  
 21 first payment at which time the then remaining unpaid balance will be paid in full. US  
 22 Bancorp will retain its Lien on the Collateral until the Class 12 Claim is paid in full.

23 Class 13 consists of the Allowed Secured Claim of Maricopa County,  
 24 Arizona, in the amount of \$8,118.20, secured by its Lien against Debtor's personal property  
 25 and equipment at the restaurant located at 1610 South Stapley Drive in Mesa, Arizona  
 26 ("Store 14"). As discussed below in the treatment of the Class 14 Claim, Debtor will list

1 Store 14 for sale through December 1, 2010, or such further time as may be agreed between  
 2 Debtor, US Bank and US Bancorp. Maricopa County will retain its Lien, and all rights  
 3 relating thereto, against the personal property and equipment following the Effective Date.

4 Class 14 consists of the Allowed Secured Claim of US Bancorp which amount  
 5 is uncertain but is less than the amount owing to US Bancorp, secured by a Lien against  
 6 various items of furniture, fixtures, equipment and personal property at Store 14. Debtor will  
 7 list for sale its interest in the furniture, fixtures, equipment and personal property (and  
 8 Debtor's affiliate, McGrath-Marshall LLC, will list the real property at Store 14 which is US  
 9 Bank's Collateral) through December 1, 2010. After December 1, 2010, Debtor (and  
 10 McGrath-Marshall LLC) will confer with US Bancorp and US Bank regarding alternatives  
 11 and will take such action as US Bank and US Bancorp require as long as it does not cause  
 12 economic hardship to Debtor or Reorganized Debtor. During the listing period Debtor and  
 13 Reorganized Debtor will operate Store 14. No debt service payments will be required during  
 14 the listing period. Net Cash Flow, if any, derived from operations during the listing period  
 15 will be used to pay taxes owing to Maricopa County, Arizona. After payment of senior  
 16 Liens, if any, proceeds from the sale of Store 14 will be allocated proportionally between US  
 17 Bank and US Bancorp based on the amount of debt related to Store 14 owing to each.  
 18 Debtor or Reorganized Debtor may cease operating and close Store 14 during the listing  
 19 period if the financial results of operations create an economic hardship for Debtor or  
 20 Reorganized Debtor. US Bancorp will retain its Lien on the Collateral until the Class 14  
 21 Claim is paid in accordance with this Plan.

22 Class 15 consists of the Allowed Secured Claim of US Bank in the amount of  
 23 \$936,900 as of the Petition Date secured by a Lien on Debtor's interest in the real property at  
 24 the restaurant located at 3211 SW Cedar Hills Boulevard in Beaverton, Oregon ("Store 15").  
 25 The Class 15 Claim will be paid in equal monthly installments of \$8,787.23, including  
 26 principal and interest at a floating rate equal to US Bank's prime rate plus 1.5% with a floor

1 of 4.75% and a cap of 8%. The first such monthly payment will be paid within the first ten  
 2 (10) days of the first full month following the Effective Date. Each subsequent monthly  
 3 payment will be paid within the first ten (10) days of each subsequent calendar month until  
 4 the tenth anniversary of the Effective Date at which time the then remaining unpaid balance  
 5 shall be paid in full. US Bank will retain its Lien on the Collateral until the Class 15 Claim is  
 6 paid in full.

7 Class 16 consists of the Allowed Secured Claim of US Bancorp in the amount  
 8 of \$402,771 as of the Petition Date secured by a Lien on Debtor's furniture, fixtures,  
 9 equipment and personal property at Store 15. On the Effective Date, Debtor will pay  
 10 approximately \$17,000 to pay the past due interest on the Class 16 Claim. The Class 16  
 11 Claim will be paid in equal monthly installments of \$7,833.60, including principal and  
 12 interest at a floating rate equal to US Bank's prime rate plus 1.5% with a floor of 4.75% and a  
 13 cap of 8%. The first such monthly payment will be paid within the first ten (10) days of the  
 14 first full month following the Effective Date. Each subsequent monthly payment will be paid  
 15 within the first ten (10) days of each subsequent calendar month until the fifth anniversary of  
 16 the Effective Date at which time the then remaining unpaid balance shall be paid in full. US  
 17 Bancorp will retain its Lien on the Collateral until the Class 16 Claim is paid in full.

18 Class 17 consists of the Allowed Secured Claim of Snohomish County,  
 19 Washington, in the amount of \$6,791.49 and secured by a Lien on Debtor's personal property  
 20 at the restaurant located at 3000 184th St SW, Suite 870 in Lynnwood, Washington ("Store  
 21 17"). Snohomish County will retain its Lien on Debtor's personal property following the  
 22 Effective Date.

23 Class 18 consists of the Allowed Secured Claim of GE Capital Franchise  
 24 Finance Corp., secured by a Lien on Debtor's personal property at Store 17. The Class 18  
 25 Claim has been satisfied by surrender of the personal property to GE Capital Franchise  
 26 Finance Corp.

1 Class 19 consists of the Allowed Secured Claim of Maricopa County,  
2 Arizona, in the amount of \$11,133.58 and secured by a Lien on Debtor's personal property  
3 and equipment at the restaurant located at 7000 East Mayo Blvd, Building #5 in Phoenix,  
4 Arizona ("Store 18"). Maricopa County will retain its Lien, and all rights relating thereto,  
5 against the personal property and equipment following the Effective Date.

6 Class 20 consists of the Allowed Secured Claim of KeyBank, in an amount  
7 equal to the value of Debtor's interest in the building and improvements at Store 18, which  
8 amount is uncertain but is less than the balance owing to KeyBank. The Class 20 Claim is  
9 secured by a Lien against such building and improvements. The Class 20 Claim will be  
10 satisfied by Debtor's sale of its interest in the building and improvements at Store 18, and  
11 after payment of senior Liens the payment of the proceeds up to the amount of the Claim 20  
12 Claim, or the conveyance of its interest in such property, to KeyBank.

13 Class 21 consists of the Allowed Secured Claim of General Electric Capital  
14 Corporation secured by a Lien on Debtor's furniture, fixtures, equipment and personal  
15 property at Store 18. The Class 21 Claim has been satisfied by surrender of the furniture,  
16 fixtures, equipment and personal property to General Electric Capital Corporation.

17 Class 22 consists of the Allowed Secured Claim of Maricopa County, Arizona  
18 in the amount of \$36,155.30 and secured by a Lien on Debtor's interest in real property at the  
19 restaurant located at 1800 North Litchfield Road in Goodyear, Arizona ("Store 19").  
20 Maricopa County will retain its Lien, and all rights relating thereto, against the real property  
21 following the Effective Date.

22 Class 23 consists of the Allowed Secured Claim of Maricopa County, Arizona  
23 in the amount of \$12,470.99 and secured by a Lien on Debtor's personal property and  
24 equipment at Store 19. Maricopa County will retain its Lien, and all rights relating thereto,  
25 against the personal property and equipment following the Effective Date.  
26

Class 24 consists of the Allowed Secured Claim of Arizona Business Bank in an amount which is equal to Debtor's interest in the real property, inventory, building materials and general intangibles related to the property at Store 19, which amount is uncertain but is less than the balance owing to Arizona Business Bank. The Class 24 Claim is secured by a senior Lien on Debtor's real property, inventory, building materials and general intangibles and a junior Lien on Debtor's furniture, fixtures and equipment at Store 19. Debtor will list for sale its interest in the real property and inventory (together with the furniture, fixtures and equipment which are the Collateral of GECC as described below). During the listing period Debtor and Reorganized Debtor will operate Store 19. No debt service payments will be required during the listing period. After payment of senior Liens, proceeds from the sale of Store 19 will be used to pay the Class 24 Claim as well as the Class 25 Claim described below. If a sale of the assets of Store 19 includes only Arizona Business Bank's Collateral, and not GECC's Collateral, then Arizona Business Bank and GECC shall negotiate a period of time, not less than thirty (30) days, within which GECC may sell its Collateral at Store 19. Arizona Business Bank will retain its Lien on its Collateral until the Class 24 Claim is paid.

Class 25 consists of the Allowed Secured Claim of GECC secured by a senior Lien on Debtor's furniture, fixtures and equipment related to the property at Store 19, which amount is uncertain but is less than the balance owing to GECC. Debtor will list for sale its interest in the furniture, fixtures and equipment (together with the real property). During the listing period Debtor and Reorganized Debtor will operate Store 19. No debt service payments will be required during the listing period. After payment of senior Liens, proceeds from the sale of Store 19 will be used first to pay the Class 25 Claim as well as the Class 24 Claim described above. GECC will retain its Lien on its Collateral until the Class 25 Claim is paid.

1 Class 26 consists of the Allowed Secured Claim of Jefferson County,  
2 Colorado, secured by a Lien on Debtor's real property at the restaurant located at 14035 West  
3 Colfax Drive in Lakewood, Colorado ("Store 20"). Jefferson County will retain its Lien on  
4 Debtor's real property following the Effective Date.

5 Class 27 consists of the Allowed Secured Claim of Jefferson County,  
6 Colorado, secured by a Lien on Debtor's personal property and equipment at Store 20.  
7 Jefferson County will retain its Lien on Debtor's personal property and equipment following  
8 the Effective Date.

9 Class 28 consists of the Allowed Secured Claim of GE CBFP in the amount of  
10 \$490,000 secured by a senior Lien on Debtor's real property and a junior Lien on Debtor's  
11 equipment and personal property at the restaurant located at 1911 South 320th Street in  
12 Federal Way, Washington ("Store 21"). The Class 28 Claim will be amortized over ten (10)  
13 years and paid in equal monthly installments of \$5,440.00, including principal and interest at  
14 6.00% per annum. The first such monthly payment will be paid within the first ten (10) days  
15 of the first full month following the Effective Date. Each subsequent monthly payment will  
16 be paid within the first ten (10) days of each subsequent calendar month until the seventh  
17 anniversary of the Effective Date at which time the then remaining unpaid balance shall be  
18 paid in full. GE CBFP will retain its Lien on the Collateral until the Class 28 Claim is paid  
19 in full.

20 Class 29 consists of the Allowed Secured Claim of GECC in the amount of  
21 \$245,000 secured by a senior Lien on Debtor's personal property and equipment at Store 21.  
22 The Class 29 Claim will be amortized over ten (10) years and paid in equal monthly  
23 installments of \$2,720.00, including principal and interest at 6% per annum. The first such  
24 monthly payment will be paid within the first ten (10) days of the first full month following  
25 the Effective Date. Each subsequent monthly payment will be paid within the first ten (10)  
26 days of each subsequent calendar month until the seventh anniversary of the Effective Date at

1 which time the then remaining unpaid balance shall be paid in full. GECC will retain its Lien  
 2 on the Collateral until the Class 29 Claim is paid in full.

3 Class 30 consists of the Allowed Secured Claim of Bank of the West in the  
 4 amount of \$15,000.00 secured by a Lien on Debtor's point of sale equipment located at Store  
 5 21. The Class 30 Claim will be amortized over ten (10) years and paid in equal monthly  
 6 installments of \$185.50, including principal and interest at 8.44%. The first such monthly  
 7 payment will be paid within the first ten (10) days of the first full month following the  
 8 Effective Date. Each subsequent monthly payment will be paid within the first ten (10) days  
 9 of each subsequent calendar month until the seventh anniversary of the Effective Date at  
 10 which time the then remaining unpaid balance shall be paid in full. Bank of the West will  
 11 retain its Lien on the Collateral until the Class 30 Claim is paid in full.

12 Class 31 consists of the Allowed Secured Claim of US Bank in the amount of  
 13 \$56,811.00 as of the Petition Date secured by a Lien on Debtor's furnishings, fixtures,  
 14 equipment and leasehold improvements at Store 99, Debtor's headquarters located at 1935  
 15 Davcor Street SE in Salem, Oregon. The Class 31 Claim will be paid in equal monthly  
 16 installments of \$1,747.82, including principal and interest at 6.44%. The first such monthly  
 17 payment will be paid within the first ten (10) days of the first full month following the  
 18 Effective Date. Each subsequent monthly payment will be paid within the first ten (10) days  
 19 of each subsequent calendar month until the Class 31 Claim is paid in full. US Bank will  
 20 retain its Lien on the Collateral until the Class 31 Claim is paid in full.

21 Class 32 consists of the Allowed Secured Claim of GreatAmerica Leasing  
 22 Corp. in the amount of \$31,800 as of the Petition Date secured by a Lien on Debtor's  
 23 computer equipment which enables credit card processing at restaurants located at six  
 24 Oregon locations. The Class 32 Claim will be paid in equal monthly installments of \$1,800,  
 25 including principal and interest at 9.99%. The first such monthly payment will be paid  
 26 within the first ten (10) days of the first full month following the Effective Date. Each

subsequent monthly payment will be paid within the first ten (10) days of each subsequent calendar month until the Class 32 Claim is paid in full. GreatAmerica Leasing Corp will retain its Lien on the Collateral until the Class 32 Claim is paid in full.

Class 33 consists of the Allowed Secured Claim of US Bank, which US Bank asserts is equal to \$985,937.11 arising from its set-off rights against the cash in Debtor's bank accounts at US Bank as of the Petition Date. Debtor will satisfy the Class 33 Claim as follows:

(a) Debtor's agreement, as set forth above, that if Store 13 does not sell for an amount sufficient to pay the Class 11 and Class 12 Claims in full, or for an amount otherwise satisfactory to US Bank, Debtor will operate Store 13 and treat the Class 11 and Class 12 Claims as provided above;

(b) Debtor's agreement to pay on the Effective Date approximately \$17,000 to satisfy past due interest relating to Class 15 Claim and \$20,000 to cure delinquencies on the Class 31 Claim;

(c) Debtor's agreement to grant to US Bank a junior deed of trust on Store 99 to secure up to \$425,000 of (i) US Bank's claim arising from Debtor's guarantee to satisfy any deficiency arising from the sale of Store 14, and (ii) any claim US Bank may have as a result of Debtor's failure to treat the Class 11 Claim as provided herein;

(d) the claims described in (c)(i) and (ii) above will not bear interest and Debtor will have no obligation to make any payment on account of such claims until the fifth anniversary of the Effective Date; and

(e) Debtor will maintain its bank accounts at US Bank and at all times maintain a minimum aggregate collected deposits not less than \$250,000 to further secure Debtor's obligation to pay up to \$425,000 of the claims described in (c)(i) and (ii) above.

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1 Class 34 consists of the Allowed Claims of each holder of a Small Unsecured  
2 Claim. Each holder of a Class 34 Claim will be paid an amount equal to 20% of such claim  
3 within sixty (60) days after the Effective Date.

4 Class 35 consists of the holders of General Unsecured Claims not included in  
5 Class 34. The holders of the Class 35 Claims will receive a total of six (6) semi-annual  
6 payments, allocated on a Pro Rata basis to each holder. Each semi-annual payment shall be  
7 equal to 60% of Reorganized Debtor's Net Cash Flow during the applicable six month period.  
8 The total of the six payments made by Reorganized Debtor must equal not less than \$1.5  
9 million. The first semi-annual payment will be made ninety (90) days after the conclusion of  
10 the first six (6) full calendar months following the Effective Date of this Plan. Each  
11 subsequent semi-annual payment shall be made on each of the next five (5) six-month  
12 anniversaries of the date of the first payment. If the total of the six semi-annual payments is  
13 less than \$1.5 million, Reorganized Debtor shall pay an amount equal to the difference  
14 between \$1.5 million and the sum of the six (6) semi-annual payments at the same time that  
15 Reorganized Debtor makes the last semi-annual payment.

16 Debtor believes that Net Cash Flow available to General Unsecured Creditors  
17 will be approximately \$1,850,000, which is equal to approximately 12% or 13% of the total  
18 Class 35 Claims. Further, Debtor believes that approximately \$450,000 of the \$1,850,000  
19 will be distributed during the first year of the Plan, approximately \$650,000 during the  
20 second year of the Plan, and approximately \$750,000 will be distributed during the third  
21 year.

22 Net Cash Flow will be calculated as set forth in Exhibit 1. Reorganized  
23 Debtor's accountants, currently AKT LLP, will calculate Reorganized Debtor's Net Cash  
24 Flow on a semi-annual basis. An amount equal to 60% of Reorganized Debtor's Net Cash  
25 Flow will be deposited every six (6) months into a designated account held by the Agent.  
26 Prior to the distributions of each semi-annual payment to the holders of the Class 35 Claims,

AKT LLP may review and require Reorganized Debtor to adjust the amount in the account to ensure that such amount accurately reflects 60% of Reorganized Debtor's total Net Cash Flow for the applicable six (6) month period. The Agent will distribute the funds in the account to the holders of the Class 35 Claim on a Pro Rata basis every six (6) months. A detailed report summarizing the calculation of Net Cash Flow will be available to holders of Class 35 Claims upon written request to Reorganized Debtor. The Plan provides that the Bankruptcy Court will retain jurisdiction to resolve disputes relating to the calculation of Net Cash Flow.

Class 36 consists of the holders of Interests in Debtor. The holders of such Interests will retain their Interests following the Effective Date; provided however that the holders of Interests shall grant a security interest in all of the stock of Reorganized Debtor to the Agent for the benefit of the holders of the Class 35 Claims, to secure the Interest holders non-recourse guarantee that Reorganized Debtor will pay at least \$1.5 million to the holders of Class 35 Claims.

The holders of Claims in Classes 10, 13, 17, 18, 19, 22, 23, 26, 27 and 31 are unimpaired. The holders of Claims for Classes 1-9, 11, 12, 14, 15, 16, 20, 21, 24, 25, 28, 29, 30, 32, 33, 34, 35 and 36 are impaired.

#### ARTICLE 4

##### DISPUTED CLAIMS; OBJECTIONS TO CLAIMS

4.1. Disputed Claims; Objections to Claims. Only holders of Claims that are Allowed Claims and not subject to an action described in 11 U.S.C. § 502(d) shall be entitled to distributions under the Plan. Debtor reserves the right to contest and object to any Claims and previously scheduled amounts, including, without limitation, those Claims and scheduled amounts that are specifically referenced herein, are not listed in the Schedules, are listed therein as disputed, contingent and/or unliquidated in amount, or are listed therein at a different amount than the Debtor currently believes is validly due and

owing. Unless otherwise ordered by the Bankruptcy Court, all objections to Claims and scheduled amounts (other than Administrative Expense Claims) shall be Filed and served upon counsel for Debtor (if filed by a party other than Debtor) and upon the holder of the Claim objected to on or before the later of (a) one hundred twenty (120) days after Effective Date or (b) one hundred twenty (120) days after the date (if any) on which a Proof of Claim is Filed in respect of a Rejection Claim, whichever is later. The last day for filing objections to Administrative Expense Claims shall be set pursuant to an order of the Bankruptcy Court. All Disputed Claims shall be resolved by the Bankruptcy Court, except to the extent that (a) Debtor may otherwise elect consistent with the Plan and the Bankruptcy Code or (b) the Bankruptcy Court may otherwise order.

## ARTICLE 5

### IMPLEMENTATION OF THE PLAN

5.1. Restated Articles of Incorporation. The Reorganized Debtor shall be deemed to have adopted the Restated Articles of Incorporation on the Effective Date and shall promptly thereafter cause the same to be filed with the Secretary of State of the State of Oregon. After the Effective Date, the Reorganized Debtor may amend the Restated Articles of Incorporation and may amend its bylaws in accordance with the Restated Articles of Incorporation, such bylaws and applicable state law.

5.2. Amended Loan Documents. Within 30 days after the Effective Date, Debtor and each Secured Creditor whose Claim is impaired under the Plan shall enter into amended Loan Documents, satisfactory to both Debtor and the applicable Secured Creditor, necessary to implement the treatment of such Claim as set forth in the Plan.

5.3. Agreements with Agent. Within 30 days after the Effective Date, Reorganized Debtor shall enter into an agreement with the Agent pursuant to which (a) the Agent shall hold the stock of the Reorganized Debtor to secure the Interest holders' guarantee that the Reorganized Debtor will pay the holders of Class 35 Claims a total of \$1.5 million;

(b) the Interest holders will execute an non-recourse guarantee of the Reorganized Debtor's obligations to the holders of the Class 35 Claims; (c) the Interest holders will execute a security agreement granting a security interest in all of Reorganized Debtor's stock to secure the Interest holders' obligations under their guarantee; and (d) the Interest holders and the Agent will take all steps reasonably necessary to perfect the security interest in Reorganized Debtor's stock.

Within 30 days of the Effective Date, the Reorganized Debtor and the Agent shall enter into an additional agreement pursuant to which the Agent shall agree to manage an account and distribute funds to the holders of Class 35 Claims as provided in this Plan.

5.4. Management of the Reorganized Debtor. The Reorganized Debtor will be managed by John McGrath, with the assistance of Jim Marshall and Dave Large. The Restaurant Management Group ("RMG") will enter into a consulting agreement with the Reorganized Debtor pursuant to which RMG will advise the Reorganized Debtor regarding its operations, marketing, menu, brand positioning, and related matters for at least six months following the Effective Date.

5.5. Distributions. Distributions to the holders of Claims shall be made as provided in Article 3 above.

5.6. Retiree Benefits. On and after the Effective Date, to the extent required by Section 1129(a)(13) of the Bankruptcy Code, the Reorganized Debtor shall continue to pay all retiree benefits, if any, as that term is defined in Section 1114 of the Bankruptcy Code, maintained or established by the Debtor prior to the Effective Date, without prejudice to Reorganized Debtor's rights under applicable non-bankruptcy law to modify, amend or terminate the foregoing arrangements.

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**ARTICLE 6**

**EXECUTORY CONTRACTS AND UNEXPIRED LEASES**

6.1. Assumption of Executory Contracts and Unexpired Leases. Effective on and as of the Effective Date, Debtor assumes the following:

6.1.1. The lease between *The City of Salem* and Debtor for the real property at 350 Chemeketa Street in Salem, Oregon.

6.1.2. The ground lease between *Lancaster Development Co. LLC* and Debtor for the real property at 3805 Center Street NE in Salem, Oregon.

6.1.3. The lease between *RPP Bend I, LLC* and Debtor for the real property at 3118 N Highway 97 in Bend, Oregon.

6.1.4. The lease between *Pan Pacific Retail Properties (Milwaukie Marketplace)* and Debtor for the real property at 11050 SE Oak Street in Milwaukie, Oregon.

6.1.5. The lease between *Outlot Developers, LLC* and Debtor for the real property at 1036 Valley River Way in Eugene, Oregon.

6.1.6. The lease between *Outlot Developers, LLC* and Debtor for the real property at 350 Circle Boulevard in Corvallis, Oregon.

6.1.7. The lease between *Sundance Development, Inc.* and Debtor for the real property at 1749 S Cole Road in Boise, Idaho.

6.1.8. The ground lease between *Macerich South Towne LP* and Debtor for the real property at 10590 S. State Street in Sandy, Utah.

6.1.9. The ground lease between *JT Layton Crossing North, L.C.* and Debtor (as successor to McGrath's Properties, LLC) for the real property at 908 Main Street in Layton, Utah.

6.1.10. The ground lease between *Center Developments Oreg., Ltd.* and Debtor for the real property at 3211 SW Cedar Hills Boulevard in Beaverton, Oregon.

1                   6.1.11. The ground lease between *certain Tenant-In-Common entities*  
2 *affiliated with Steadfast Commons, LLC* and Debtor (as successor to McGrath's Properties,  
3 LLC) for the real property at 1911 South 320th Street in Federal Way, Washington.

4                   6.1.12. The insurance contract between *Brokers National Life Assurance Co*  
5 and Debtor for dental insurance, effective January 1, 2010.

6                   6.1.13. The insurance contract between *Regence BlueCross BlueShield of*  
7 *Oregon* and Debtor for medical insurance, effective July 1, 2009.

8                   6.1.14. The insurance contract between *The Guardian Life Insurance Co of*  
9 *America* and Debtor for dental, life & ADD insurance, effective July 1, 2009.

10                  6.1.15. The 401(k) employee benefit plan between *Great West Retirement*  
11 *Services* and Debtor (Plan #338252-01).

12                  6.1.16. The deferred compensation agreement dated November 12, 1998  
13 between *James R Marshall* as employee and Debtor as employer.

14                  6.1.17. The insurance contract between *Liberty Northwest* and Debtor (policy  
15 number C10 163326), for business general liability, vehicle, umbrella, liquor liability, and  
16 blanket premise insurance covering the Oregon, Washington, and Idaho properties to be  
17 retained by Debtor under this Plan, as well as business umbrella insurance on the Arizona,  
18 Colorado and Utah properties to be retained by Debtor under this Plan.

19                  6.1.18. The insurance contract between *American Economy* and Debtor  
20 (policy number 02CE209482-10), for business general liability and liquor liability insurance  
21 covering the Arizona, Colorado and Utah properties to be retained by Debtor under this Plan.

22                  6.1.19. The insurance contract between *American States* and Debtor (policy  
23 number 01CI3381531), for vehicle insurance covering the Arizona, Colorado and Utah  
24 properties to be retained by Debtor under this Plan.

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1                   6.1.20. The insurance contract between *Safeco Insurance Companies* and  
2 Debtor (policy number 02CE209482-10), for business blanket premise insurance covering  
3 the Arizona, Colorado and Utah properties to be retained by Debtor under this Plan.

4                   6.1.21. The insurance contract between *Scottsdale Indemnity Company* and  
5 Debtor (policy number EKI3005222), covering director & officer liability.

6                   6.1.22. The insurance contract between *Carolina Casualty Insurance* and  
7 Debtor (policy number 4887943), covering employment practices liability.

8                   6.1.23. The insurance contract between *Liberty Northwest* and Debtor (policy  
9 number WC41NC970173010), for workman's compensation insurance covering Debtor's  
10 Oregon properties.

11                   6.1.24. The insurance contract between *Liberty Northwest* and Debtor (policy  
12 number WC41NC011362010), for workman's compensation insurance covering Debtor's  
13 Idaho property.

14                   6.1.25. The insurance contract between *Liberty Mutual* and Debtor (policy  
15 number WC1163950925010), for workman's compensation insurance covering the Arizona,  
16 Colorado and Utah properties to be retained by Debtor under this Plan.

17                   6.1.26. The Master Purchase Agreement between *Enterprise Merchant*  
18 *Solutions Inc.* ("EMS") and Debtor, for hardware and software maintenance services  
19 provided by EMS to Debtor relating to certain computer equipment financed by Marlin  
20 Leasing Corp., and located at various store locations.

21                   6.1.27. The Aloha Hosted Solutions Agreement dated October 19, 2009  
22 between *Radiant Systems, Inc.* and Debtor, for restaurant guard software provided to Debtor  
23 relating to certain computer equipment financed by GreatAmerica Leasing Corp., and located  
24 at six Oregon stores (Beaverton, Bend, Corvallis, Eugene, Milwaukie, and Salem-Lancaster).

25                   6.1.28. The Product Supply Agreement(s) between *Airgas NorPac* and  
26 Debtor.

1 6.1.29. The Linen and/or Uniform Rental Service Agreement(s) between  
2 *ALSCO Inc.* as supplier and Debtor as customer.

3 6.1.30. The Product and Services Supply Agreement(s) between *Ecolab Inc.*  
4 as supplier and Debtor as customer for required wearwashing, housekeeping, laundry and  
5 other cleaning and sanitizing chemical products.

6 6.1.31. The Master Maintenance and Sales Agreements between *Ikon Office*  
7 *Solutions, Inc.* and Debtor for copier maintenance and repair, as relating only to those copiers  
8 retained by Debtor under this Plan.

9 6.1.32. The Music Service Agreements between *Muzak LLC* and Debtor, as  
10 relating only to those properties retained by Debtor under this Plan (includes TV satellite  
11 receivers / networks / etc.).

12 6.1.33. The Preferred Customer Agreement between *Pacific Seafood* and  
13 Debtor.

14 6.1.34. The Master Distribution Agreement between *SYSCO Food Services of*  
15 *Portland, Inc.* and Debtor.

16 6.1.35. The contracts between *ADT Security Services, Inc.* and Debtor for  
17 security-related services at the following locations: Salem corporate office (Acct  
18 #108311282); Salem-Lancaster Mall (Acct #108313058); Eugene, OR (Acct #128300079);  
19 Medford, OR (Acct #128301447); Boise, ID (Acct #119602633); and Vancouver, WA (Acct  
20 #108311541).

21 6.1.36. The contract(s) between *American Security Alarms Inc.* and Debtor for  
22 security-related services at the following locations: Corvallis, OR; Beaverton, OR; and  
23 Federal Way, WA.

24 6.1.37. The contract between *East Cascade Security Systems, fka Vyanet* and  
25 Debtor for security-related services at the Bend, OR location.  
26

6.1.38. The contract between *Sound Security Inc., dba Sonitrol Pacific* and Debtor for security-related services at the Milwaukie, OR location.

6.1.39. The contract between *Stanley Convergent Security Solutions* and Debtor for security-related services at the Salem, OR downtown location.

6.1.40. The Equipment Finance Agreement between *Marlin Leasing Corp* and Debtor for computer equipment located at various store locations to be retained by Debtor under this Plan.

The foregoing list of Executory Contract and Unexpired Leases may be amended at any time prior to the conclusion of the hearing on confirmation of the Plan.

6.2. Curing Defaults; Adequate Assurance of Performance. Debtor will cure defaults and provide adequate assurance of future performance to the counter parties to the executory contracts and unexpired leases to be assumed by Debtor. Debtor believes that the only monetary defaults are in regard to the leases for Store 3 (Bend), Store 4 (Milwaukie) and Store 13 (Layton). The defaults in regard to Store 3 and 4 will be cured within sixty (60) days of the Effective Date, and the default in regard to Store 13 will be cured in installments as agreed between Debtor and Store 13's landlord as described in Exhibit 7 of the Disclosure Statement. Debtor believes that the Projections attached as Exhibit 7 provide adequate assurance of future performance as the Projections show that the Reorganized Debtor can reasonably be expected to operate profitably and pay its expenses in a timely manner.

6.3. Leases and Executory Contracts Rejected. All executory contracts and unexpired leases that exist as of the Effective Date between Debtor and any other entity not specifically assumed above are hereby rejected.

6.4. Rejection Claims. Rejection Claims must be Filed no later than thirty (30) days after the Effective Date. Any such Rejection Claim not filed within such time shall be forever barred from assertion against Debtor, the Reorganized Debtor, and their property and

1 estate. Each Rejection Claim resulting from such rejection shall constitute a Class 48 Claim,  
2 or Class 49 Claim, whichever is applicable.

### 3 **ARTICLE 7**

#### 4 **EFFECT OF CONFIRMATION**

5 The effect of confirmation shall be as set forth in Section 1141 of the  
6 Bankruptcy Code. Except as otherwise expressly provided in the Plan, all persons who have  
7 held, hold or may hold Claims, or who may have held, hold or may hold any Interest, are  
8 permanently enjoined, from and after the Effective Date, from: (a) commencing or  
9 continuing in any manner any action or other proceedings of any kind with respect to any  
10 Claims or Interests against Reorganized Debtor; (b) enforcing, attaching, collecting or  
11 recovering by any manner or any means any judgment, award, decree or order against  
12 Reorganized Debtor; (c) creating, perfecting or enforcing any encumbrances of any kind  
13 against Reorganized Debtor with respect to those Claims except as specifically described in  
14 the Plan; (d) asserting any setoff, right of subrogation or recoupment of any kind against any  
15 obligation due to Debtor, Reorganized Debtor or their property unless asserted as a defense  
16 to a suit or action filed by Debtor or Reorganized Debtor; and (e) proceeding in any manner  
17 in any place whatsoever that does not conform to, does not comply with, or is inconsistent  
18 with the provisions of the Plan or the order confirming the Plan.

### 19 **ARTICLE 8**

#### 20 **MODIFICATION, REVOCATION OR WITHDRAWAL OF THE PLAN**

21 8.1. Modification of Plan. Debtor may alter, amend or modify the Plan pursuant to  
22 Section 1127 of the Bankruptcy Code and Bankruptcy Rule 3019 at any time prior to the time  
23 the Bankruptcy Court has entered the Confirmation Order. After such time, and prior to the  
24 substantial consummation of the Plan, Debtor or the Reorganized Debtor may, so long as the  
25 treatment of holders of Claims and Interest under the Plan is not adversely affected, institute  
26 proceedings in Bankruptcy Court to remedy any defect or omission or to reconcile any

inconsistencies in the Plan, Disclosure Statement or Confirmation Order, or other matters as may be necessary to carry out the purposes and effects of the Plan; provided, however, that prior notice of such proceedings shall be served, if necessary, in accordance with Bankruptcy Rule 2002.

8.2. Revocation or Withdrawal of Plan.

8.2.1. Right to Revoke. Debtor reserves the right to revoke or withdraw the Plan at any time prior to the Effective Date.

8.2.2. Effective of Withdrawal or Revocation. If Debtor revokes or withdraws the Plan prior to the Effective Date, the Plan shall be deemed null and void. In such event, nothing contained herein shall be deemed to constitute a waiver or release of any claims by or against Debtor or any other entity, or to prejudice in any manner the rights of Debtor or any other entity in any further proceedings involving Debtor.

8.2.3. Nonconsensual Confirmation. Debtor may request that the Bankruptcy Court confirm the Plan pursuant to Section 1129(b) of the Bankruptcy Code if the requirements of all provisions of Section 1129(a) of the Bankruptcy Code except Section 1129(a)(8) are met.

## ARTICLE 9

### RETENTION OF JURISDICTION

9.1. Retained Jurisdiction. Notwithstanding the entry of the Confirmation Order, the Court shall retain jurisdiction of this Chapter 11 Case pursuant to and for the purposes set forth in Section 1127(b) of the Bankruptcy Code and

(a) to classify the Claim or interest of any Creditor or equity holder, reexamine Claims or Interests which have been allowed for voting purposes, and determine any objections that may be Filed to Claims or Interests;

(b) to hear and determine any motions or contested matters involving taxes, tax refunds, tax attributes and tax benefits and similar or related matters with respect to

Debtor or its estate, arising prior to the Effective Date or relating to the period of administration of the Chapter 11 Case, including, without limitation, matters concerning state, local and federal taxes in accordance with Section 346, 505 and 1146 of the Bankruptcy Code;

(c) to determine requests for payment of Claims entitled to priority under Section 507(a)(2) of the Bankruptcy Code, including compensation and reimbursement of expenses in favor of professionals employed at the expense of the estate;

(d) to hear and determine actions to avoid transfers or recover preferences and all other Rights of Action asserted by Debtor pending on the Effective Date or asserted by the Reorganized Debtor after the Effective Date;

(e) to recover all assets of Debtor or the Reorganized Debtor, wherever located;

(f) to hear and determine any pending applications for the assumption, assignment or rejection of an executory contract or an unexpired lease and the allowance of Claims resulting therefrom;

(g) to approve the sale or lease of property free and clear of all Liens and encumbrances in accordance with 11 U.S.C. § 363 if so requested by Debtor or the Reorganized Debtor;

(h) to resolve controversies and disputes regarding the interpretation of this Plan, including but not limited to, controversies or disputes relating to implementation of the Plan;

(i) to implement the provisions of this Plan and enter orders in aid of execution of the Plan or to enforce the Confirmation Order and/or the discharge, or the effect of the discharge, provided to Debtor;

(j) to adjudicate adversary proceedings and contested matters pending or hereafter commenced in this Chapter 11 Case;

(k) to enter and implement such orders as may be appropriate in the event the Confirmation Order is for any reason stayed, revoked, modified or vacated;

(l) to hear and determine any applications to modify the Plan, to cure any defect or omission, or to reconcile any inconsistency in the Plan or related documents or in any order of the Bankruptcy Court, including the Confirmation Order;

(m) to ensure that distributions to holders of Allowed Claims are accomplished as provided herein, including, but not limited to resolving disputes regarding the calculation of Net Cash Flow;

(n) to hear and determine any other matters related hereto and not inconsistent with Chapter 11 of the Bankruptcy Code; and

(o) to enter a final decree closing this Chapter 11 proceeding.

9.2. Failure of Bankruptcy Court to Exercise Jurisdiction. If the Bankruptcy Court abstains from exercising or declines to exercise jurisdiction over any matter arising under, arising in, or related to the Chapter 11 Case, including the matters set forth in Section 9.1 above, this Article shall not prohibit or limit the exercise of jurisdiction by any other court having competent jurisdiction with respect to such subject matter.

## ARTICLE 10

### MISCELLANEOUS PROVISIONS

10.1. Revesting. Except as otherwise expressly provided herein, on the Effective Date, all property and assets of the estate of Debtor shall revest in the Reorganized Debtor, free and clear of all claims, Liens, encumbrances, and charges of Creditors arising on or before the Effective Date.

10.2. Rights of Action. Except as otherwise expressly provided herein, any rights or causes of action (including, without limitation, any and all Rights of Action) accruing to Debtor shall become assets of the Reorganized Debtor which may pursue such rights of

1 action, as appropriate, in accordance with what it determines to be in the best interests of  
2 Creditors consistent with the terms of this Plan.

3 10.3. Governing Law. Except to the extent the Bankruptcy Code, the Bankruptcy  
4 Rules or other federal laws are applicable, the laws of the State of Oregon shall govern the  
5 construction and implementation of the Plan, and all rights and obligations arising under the  
6 Plan.

7 10.4. Withholding and Reporting Requirements. In connection with the Plan and all  
8 instruments issued in connection therewith and distributions thereon, the Reorganized Debtor  
9 shall comply with all withholding, reporting, certification and information requirements  
10 imposed by any federal, state, local or foreign taxing authorities and all distributions  
11 hereunder shall, to the extent applicable, be subject to any such withholding, reporting,  
12 certification and information requirements. Entities entitled to receive distributions  
13 hereunder shall, as a condition to receiving such distributions, provide such information and  
14 take such steps as the Reorganized Debtor may reasonably require to ensure compliance with  
15 such withholding and reporting requirements, and to enable the Reorganized Debtor to obtain  
16 the certifications and information as may be necessary or appropriate to satisfy the provisions  
17 of any tax law.

18 10.5. Time. Unless otherwise specified herein, in computing any period of time  
19 prescribed or allowed by the Plan, the day of the act or event from which the designated  
20 period begins to run shall not be included. The last day of the period so computed shall be  
21 included, unless it is not a Business Day, in which event the period runs until the end of the  
22 next succeeding day which is a Business Day.

23 10.6. Section 1146(c) Exemption. Pursuant to Section 1146(c) of the Bankruptcy  
24 Code, the issuance, transfer or exchange of any security under the Plan, or the execution,  
25 delivery or recording of an instrument of transfer pursuant to, in implementation of or as  
26 contemplated by the Plan, or the revesting, transfer or sale of any real property of Debtor or

1 the Reorganized Debtor pursuant to, in implementation of or as contemplated by the Plan,  
 2 shall not be taxed under any state or local law imposing a stamp tax, transfer tax, or similar  
 3 tax or fee. Consistent with the foregoing, each recorder of deeds or similar official for any  
 4 city, county or governmental unit in which any instrument hereunder is to be recorded shall,  
 5 pursuant to the Confirmation Order, be ordered and directed to accept such instrument  
 6 without requiring the payment of any documentary stamp tax, deed stamps, transfer tax,  
 7 intangible tax or similar tax.

8 10.7. Severability. In the event that any provision of the Plan is determined to be  
 9 unenforceable, such determination shall not limit or affect the enforceability and operative  
 10 effect of any other provisions of the Plan. To the extent that any provision of the Plan would,  
 11 by its inclusion in the Plan, prevent or preclude the Bankruptcy Court from entering the  
 12 Confirmation Order, the Bankruptcy Court, on the request of Debtor, may modify or amend  
 13 such provision, in whole or in part, as necessary to cure any defect or remove any  
 14 impediment to the confirmation of the Plan existing by reason of such provision.

15 10.8. Binding Effect. The provisions of the Plan shall bind Debtor, the Reorganized  
 16 Debtor, all Creditors, and all holders of Claims and Interests, and their respective successors,  
 17 heirs and assigns.

18 10.9. Recordable Order. The Confirmation Order shall be deemed to be in  
 19 recordable form, and shall be accepted by any recording officer for filing and recording  
 20 purposes without further or additional orders, certifications or other supporting documents.

21 10.10. Unclaimed Cash. Unclaimed Cash shall be deemed Available Cash, and the  
 22 Allowed Claim upon which the Unclaimed Cash was originally distributed shall be deemed  
 23 disallowed.

24 10.11. Saturday, Sunday or Legal Holiday. If any payment or act is required to be  
 25 made or performed on a date that is not a Business Day, then the making of such payment or  
 26

1 the performance of such act may be completed on the next succeeding Business Day, but  
 2 shall be deemed to have been completed as of the required date.

3 10.12. Utility Deposits. All utilities holding a utility deposit made during the  
 4 Chapter 11 Case shall immediately after the Effective Date return or refund such utility  
 5 deposit to Reorganized Debtor. At the sole option of Reorganized Debtor, the Reorganized  
 6 Debtor may apply any utility deposit that has not been refunded to Reorganized Debtor in  
 7 satisfaction of any payments due or to become due from the Debtor or the Reorganized  
 8 Debtor to a utility holding such a utility deposit.

9 10.13. Final Order. Any requirement in the Plan for a Final Order may be waived by  
 10 Debtor; provided, however, that nothing contained herein shall prejudice the right of any  
 11 party in interest to seek a stay pending appeal with respect to such Final Order.

12 10.14. Notices. Any notice, request or demand required or permitted to be made or  
 13 provided to or on Debtor or the Reorganized Debtor under this Plan shall be in writing and  
 14 served by (a) certified mail, return receipt requested; (b) hand delivery; or (c) overnight  
 15 delivery, with proof of service and shall be deemed to have been duly given or made when  
 16 actually delivered or received by addressee, addressed as follows: if to the Debtor or  
 17 Reorganized Debtor:

18 John McGrath  
 19 McGrath's Publick Fish House, Inc.  
 1935 DavCor St. SE  
 20 Salem, OR 97302

20 with a copy to:

21 Leon Simson  
 22 Tonkon Torp LLP  
 888 SW Fifth Ave, Suite 1600  
 23 Portland, OR 97204

24 Any party listed above may alter the address for receiving notice hereunder by filing a  
 25 notification of such alteration with all other parties and the Bankruptcy Court.  
 26

1           10.15. Plan Controls. In the event and to the extent that any provision of the Plan is  
2 inconsistent with the provisions of the Disclosure Statement, or any other instrument or  
3 agreement contemplated to be executed pursuant to the Plan, the provisions of the Plan shall  
4 control and take precedence.

5           10.16. Effectuating Documents and Further Transactions. Debtor and the  
6 Reorganized Debtor shall execute, deliver, File or record such Loan Documents, contracts,  
7 instruments, assignments, and other agreements or documents, and take or direct such  
8 actions, as may be necessary or appropriate to effectuate and further evidence the terms and  
9 conditions of this Plan.

10                   DATED this 8th day of June, 2010.

11                                   Respectfully submitted,

12                                   MCGRATH'S PUBLICK FISH HOUSE, INC.,  
13

14                                   By \_\_\_\_\_  
15                                   John P. McGrath, President

16           Presented by:

17           TONKON TORP LLP

18           By \_\_\_\_\_  
19           Leon Simson, OSB No. 75342  
20           Timothy J. Conway, OSB No. 85175  
21           Haley B. Bjerk, OSB No. 062760  
22           Attorneys for Debtor  
23  
24  
25  
26

# EXHIBIT 1

to

Debtor's First Amended  
Plan of Reorganization

## EXHIBIT 1

### Definition of Net Cash Flow

Net Cash Flow equals net sale proceeds minus each of the following: cost of goods sold, labor, operating expenses, administrative expenses, U.S. Trustee fees, and debt service payments, including both principal and interest. Depreciation, amortization and capital expenditures are not deducted from net sale proceeds in calculating Net Cash Flow. Further description of the components of net sale proceeds, cost of goods sold, labor, operating expenses and administrative expenses are set forth below.

#### NET SALE PROCEEDS

- Food: restaurant food, non-alcoholic beverages (soda)
- Beverage: liquor, beer, wine, other
- Other: takeout, large parties, catering
- Other income: t-shirts & uniforms, retail sales to supermarkets, other

#### LESS

#### COST OF GOODS SOLD

- Food: cost of seafood, meat, groceries, dairy, bread, produce, food freight, non-alcoholic beverages
- Beverage: cost of liquor, beer, wine, bar ingredients

#### LABOR

- Wages
- Payroll Related Expenses: payroll taxes, medical insurance, workman's compensation insurance, vacation pay, severance pay, employee life insurance, 401K contributions, Christmas bonus, employee gifts, employee sports, employee sales promotions and contests, employee testing, employee relocation and moving expenses

#### OPERATING EXPENSES

- Utilities: electric, gas, water, garbage, wood/charcoal, telephone
- Supplies: paper, Bev Naps, to go, doggie bags, other paper products, light bulbs, glassware replacement, silverware replacement, china replacement, kitchen utensils, chemicals, oxygen/CO2, holiday decorations, office supplies, miscellaneous
- Operating: janitorial, cleaning service, landscaping, plants and décor, dishwasher lease, laundry and linens, aloha, IT, first aid expense, uniforms, Eco Labs, postage, internet, cable/satellite TV, music/Muzak, dues and other subscriptions, entertainment, mileage reimbursement (non-catering), miscellaneous, cash over short
- Marketing: survey/market research, radio, newspaper/FSI, production, direct mail, community and contributions, LSM, dining cards, phone directory, printing, miscellaneous
- Repairs & Maintenance: kitchen equipment, other equipment (HVAC, etc.)
- Facilities & Building
- Licenses: licenses and violation remedies

- Other: Shopper's Report, credit card charge back, NSF checks, collected NSF checks, paid out w/o code, storage, Start Up, credit card discounts, gift card costs, menu printing, parking & travel, shipping costs
- Occupancy Expenses: building insurance, real estate taxes, rent, common area expenses

**ADMINISTRATIVE EXPENSES**

- Corporate office and administrative expense allocation, insurance (P&C and auto), taxes, C.P.A & legal, other professionals, accounting costs, automobile rent, travel and restaurant inspections, managers meetings, research and development, directors meetings, depreciation expense, amortization expense, other expenses, payroll processing cost, computer expense, deposit corrections, bank charges, miscellaneous bank debits and credits, miscellaneous small item retail, expired gift certificates, cost of miscellaneous retail items

# EXHIBIT 2

## EXHIBIT 2

## Definition of Net Cash Flow

Net Cash Flow equals net sale proceeds minus each of the following: cost of goods sold, labor, operating expenses, administrative expenses, U.S. Trustee fees, and debt service payments, including both principal and interest. Depreciation, amortization and capital expenditures are not deducted from net sale proceeds in calculating Net Cash Flow. Further description of the components of net sale proceeds, cost of goods sold, labor, operating expenses and administrative expenses are set forth below.

**NET SALE PROCEEDS**

- Food: restaurant food, non-alcoholic beverages (soda)
- Beverage: liquor, beer, wine, other
- Other: takeout, large parties, catering
- Other income: t-shirts & uniforms, retail sales to supermarkets, other

**LESS****COST OF GOODS SOLD**

- Food: cost of seafood, meat, groceries, dairy, bread, produce, food freight, non-alcoholic beverages
- Beverage: cost of liquor, beer, wine, bar ingredients

**LABOR**

- Wages
- Payroll Related Expenses: payroll taxes, medical insurance, workman's compensation insurance, vacation pay, severance pay, employee life insurance, 401K contributions, Christmas bonus, employee gifts, employee sports, employee sales promotions and contests, employee testing, employee relocation and moving expenses

**OPERATING EXPENSES**

- Utilities: electric, gas, water, garbage, wood/charcoal, telephone
- Supplies: paper, Bev Naps, to go, doggie bags, other paper products, light bulbs, glassware replacement, silverware replacement, china replacement, kitchen utensils, chemicals, oxygen/CO2, holiday decorations, office supplies, miscellaneous
- Operating: janitorial, cleaning service, landscaping, plants and décor, dishwasher lease, laundry and linens, aloha, IT, first aid expense, uniforms, Eco Labs, postage, internet, cable/satellite TV, music/Muzak, dues and other subscriptions, entertainment, mileage reimbursement (non-catering), miscellaneous, cash over short
- Marketing: survey/market research, radio, newspaper/FSI, production, direct mail, community and contributions, LSM, dining cards, phone directory, printing, miscellaneous
- Repairs & Maintenance: kitchen equipment, other equipment (HVAC, etc.)
- Facilities & Building
- Licenses: licenses and violation remedies

- Other: Shopper's Report, credit card charge back, NSF checks, collected NSF checks, paid out w/o code, storage, Start Up, credit card discounts, gift card costs, menu printing, parking & travel, shipping costs
- Occupancy Expenses: building insurance, real estate taxes, rent, common area expenses

**ADMINISTRATIVE EXPENSES**

- Corporate office and administrative expense allocation, insurance (P&C and auto), taxes, C.P.A & legal, other professionals, accounting costs, automobile rent, travel and restaurant inspections, managers meetings, research and development, directors meetings, depreciation expense, amortization expense, other expenses, payroll processing cost, computer expense, deposit corrections, bank charges, miscellaneous bank debits and credits, miscellaneous small item retail, expired gift certificates, cost of miscellaneous retail items

# EXHIBIT 3

**EXHIBIT 3**

**UNEXPIRED LEASES AND EXECUTORY CONTRACTS**

**TO BE ASSUMED BY DEBTOR**

1. The lease between *The City of Salem* and Debtor for the real property at 350 Chemeketa Street in Salem, Oregon.
2. The ground lease between *Lancaster Development Co. LLC* and Debtor for the real property at 3805 Center Street NE in Salem, Oregon.
3. The lease between *RPP Bend I, LLC* and Debtor for the real property at 3118 N Highway 97 in Bend, Oregon.
4. The lease between *Pan Pacific Retail Properties (Milwaukie Marketplace)* and Debtor for the real property at 11050 SE Oak Street in Milwaukie, Oregon.
5. The lease between *Outlot Developers, LLC* and Debtor for the real property at 1036 Valley River Way in Eugene, Oregon.
6. The lease between *Outlot Developers, LLC* and Debtor for the real property at 350 Circle Boulevard in Corvallis, Oregon.
7. The lease between *Sundance Development, Inc.* and Debtor for the real property at 1749 S Cole Road in Boise, Idaho.
8. The ground lease between *Macerich South Towne LP* and Debtor for the real property at 10590 S. State Street in Sandy, Utah.
9. The ground lease between *JT Layton Crossing North, L.C.* and Debtor (as successor to McGrath's Properties, LLC) for the real property at 908 Main Street in Layton, Utah.
10. The ground lease between *Center Developments Oreg., Ltd.* and Debtor for the real property at 3211 SW Cedar Hills Boulevard in Beaverton, Oregon.
11. The ground lease between *certain Tenant-In-Common entities affiliated with Steadfast Commons, LLC* and Debtor (as successor to McGrath's Properties, LLC) for the real property at 1911 South 320th Street in Federal Way, Washington.
12. The insurance contract between *Brokers National Life Assurance Co* and Debtor for dental insurance, effective January 1, 2010.
13. The insurance contract between *Regence BlueCross BlueShield of Oregon* and Debtor for medical insurance, effective July 1, 2009.
14. The insurance contract between *The Guardian Life Insurance Co of America* and Debtor for dental, life & ADD insurance, effective July 1, 2009.
15. The 401(k) employee benefit plan between *Great West Retirement Services* and Debtor (Plan #338252-01).
16. The deferred compensation agreement dated November 12, 1998 between *James R Marshall* as employee and Debtor as employer.

17. The insurance contract between *Liberty Northwest* and Debtor (policy number C10 163326), for business general liability, vehicle, umbrella, liquor liability, and blanket premise insurance covering the Oregon, Washington, and Idaho properties to be retained by Debtor under this Plan, as well as business umbrella insurance on the Arizona, Colorado and Utah properties to be retained by Debtor under this Plan.
18. The insurance contract between *American Economy* and Debtor (policy number 02CE209482-10), for business general liability and liquor liability insurance covering the Arizona, Colorado and Utah properties to be retained by Debtor under this Plan.
19. The insurance contract between *American States* and Debtor (policy number 01CI3381531), for vehicle insurance covering the Arizona, Colorado and Utah properties to be retained by Debtor under this Plan.
20. The insurance contract between *Safeco Insurance Companies* and Debtor (policy number 02CE209482-10), for business blanket premise insurance covering the Arizona, Colorado and Utah properties to be retained by Debtor under this Plan.
21. The insurance contract between *Scottsdale Indemnity Company* and Debtor (policy number EKI3005222), covering director & officer liability.
22. The insurance contract between *Carolina Casualty Insurance* and Debtor (policy number 4887943), covering employment practices liability.
23. The insurance contract between *Liberty Northwest* and Debtor (policy number WC41NC970173010), for workman's compensation insurance covering Debtor's Oregon properties.
24. The insurance contract between *Liberty Northwest* and Debtor (policy number WC41NC011362010), for workman's compensation insurance covering Debtor's Idaho property.
25. The insurance contract between *Liberty Mutual* and Debtor (policy number WC1163950925010), for workman's compensation insurance covering the Arizona, Colorado and Utah properties to be retained by Debtor under this Plan.
26. The Master Purchase Agreement between *Enterprise Merchant Solutions Inc.* ("EMS") and Debtor, for hardware and software maintenance services provided by EMS to Debtor relating to certain computer equipment financed by Marlin Leasing Corp., and located at various store locations.
27. The Aloha Hosted Solutions Agreement dated October 19, 2009 between *Radiant Systems, Inc.* and Debtor, for restaurant guard software provided to Debtor relating to certain computer equipment financed by GreatAmerica Leasing Corp., and located at six Oregon stores (Beaverton, Bend, Corvallis, Eugene, Milwaukie, and Salem-Lancaster).
28. The Product Supply Agreement(s) between *Airgas NorPac* and Debtor.
29. The Linen and/or Uniform Rental Service Agreement(s) between *ALSCO Inc.* as supplier and Debtor as customer.

30. The Product and Services Supply Agreement(s) between *Ecolab Inc.* as supplier and Debtor as customer for required wearwashing, housekeeping, laundry and other cleaning and sanitizing chemical products.
31. The Master Maintenance and Sales Agreements between *Ikon Office Solutions, Inc.* and Debtor for copier maintenance and repair, as relating only to those copiers retained by Debtor under this Plan.
32. The Music Service Agreements between *Muzak LLC* and Debtor, as relating only to those properties retained by Debtor under this Plan (includes TV satellite receivers / networks / etc.).
33. The Preferred Customer Agreement between *Pacific Seafood* and Debtor.
34. The Master Distribution Agreement between *SYSCO Food Services of Portland, Inc.* and Debtor.
35. The contracts between *ADT Security Services, Inc.* and Debtor for security-related services at the following locations: Salem corporate office (Acct #108311282); Salem-Lancaster Mall (Acct #108313058); Eugene, OR (Acct #128300079); Medford, OR (Acct #128301447); Boise, ID (Acct #119602633); and Vancouver, WA (Acct #108311541).
36. The contract(s) between *American Security Alarms Inc.* and Debtor for security-related services at the following locations: Corvallis, OR; Beaverton, OR; and Federal Way, WA.
37. The contract between *East Cascade Security Systems, fka Vyanet* and Debtor for security-related services at the Bend, OR location.
38. The contract between *Sound Security Inc., dba Sonitrol Pacific* and Debtor for security-related services at the Milwaukie, OR location.
39. The contract between *Stanley Convergent Security Solutions* and Debtor for security-related services at the Salem, OR downtown location.
40. The Equipment Finance Agreement between *Marlin Leasing Corp* and Debtor for computer equipment located at various store locations to be retained by Debtor under this Plan.

# EXHIBIT 4

**McGrath's PubliK Fish House, Inc.**  
**Case No. 10-60500-fra11**  
Exhibit 4 - Debtor's Income Statements for 2007, 2008 and 2009

<b>Statement of Earnings - Consolidated</b>									
<i>For The Year Ending December 30, 2007</i>									
		<b>This Period</b>		<b>Same Period</b>		<b>YTD</b>		<b>YTD</b>	
		<b>Actual</b>	<b>%</b>	<b>Last Year</b>	<b>%</b>	<b>Actual</b>	<b>%</b>	<b>Last Year</b>	<b>%</b>
Sales									
	NET TOTAL- Food	3,350,221	96.55	3,506,547	96.44	44,347,319	96.67	45,128,068	96.71
	NET TOTAL Beverage	508,672		514,226		6,343,417		6,293,877	
	NET SALES TOTAL	3,858,893		4,020,773		50,690,736		51,421,945	
Cost of Sales									
	TOTAL Food Cost	1,085,234	32.39	1,135,839	32.39	14,742,688	33.24	14,895,485	33.01
	TOTAL Beverage Cost	113,234	22.26	122,838	23.89	1,508,061	23.77	1,490,883	23.69
	TOTAL COGS	1,198,468	31.06	1,258,676	31.30	16,250,749	32.06	16,386,369	31.87
	TOTAL INCOME	2,660,425		2,762,097		34,439,987		35,035,577	
Payroll									
	Payroll Sub Total	1,248,715	32.36	1,248,140	31.04	16,178,945	31.92	16,012,137	31.14
	Payroll Related Sub Total	217,113	5.63	220,711	5.49	3,255,112	6.42	3,126,489	6.08
	PAYROLL TOTAL	1,465,828	37.99	1,468,851	36.53	19,434,057	38.34	19,138,627	37.22
CONTROLLABLES									
	Total Utilities	152,000	3.94	149,784	3.73	1,924,040	3.80	1,844,486	3.59
	Total Supplies	94,457	2.45	108,522	2.70	1,424,752	2.81	1,434,236	2.79
	Total Operating	81,129	2.10	95,118	2.37	1,186,250	2.34	1,189,665	2.31
	Total Marketing	31,443	0.81	52,981	1.32	824,444	1.63	967,705	1.88
	Total Equipment	70,225	1.82	77,361	1.92	1,039,036	2.05	1,011,426	1.97
Uncontrollables									
	Total Licenses	4,988	0.13	8,446	0.21	41,270	0.08	45,551	0.09
	Total Other Operating Expenses	98,552	2.55	108,669	2.70	1,477,003	2.91	1,506,328	2.93
	Restaurant Controllable Income	666,792		700,811		7,130,406		7,943,103	
	Total Occupancy Expenses	237,450	6.15	285,798	7.11	4,525,989	8.93	4,385,636	8.53
	Total Operating Expenses	770,243	19.96	886,679	22.05	12,442,783	24.55	12,385,034	24.09
	Restaurant Contribution Income	424,354	11.00	406,567	10.11	2,563,147	5.06	3,511,916	6.83
	Restaurant Operating Income	661,803	17.15	692,365	17.22	7,089,136	13.99	7,897,552	15.36
	Total Administrative Expenses	94,160	2.44	(66,059)		3,239,702	6.39	2,452,605	4.77
	Total Other (Income) and Expense	1,791,202	46.42	(32,266)		2,428,488	4.79	821,575	1.60
	Net earnings (loss) for period	(1,461,008)		504,892	12.56	(3,105,043)		237,736	0.46
EBITDA		(1,185,863)		696,204	17.32	297,079	0.59	3,490,098	6.79

**McGrath's Publick Fish House, Inc.**  
**Case No. 10-60500-fra11**  
Exhibit 4 - Debtor's Income Statements for 2007, 2008 and 2009

<b>Statement of Earnings - Consolidated</b>										
<i>For The Year Ending December 28, 2008</i>										
		<b>This Period</b>		<b>Same Period</b>		<b>YTD</b>		<b>YTD</b>		
		<b>Actual</b>	<b>%</b>	<b>Last Year</b>	<b>%</b>	<b>Actual</b>	<b>%</b>	<b>Last Year</b>	<b>%</b>	
Sales										
	NET TOTAL- Food	2,257,017	96.31	3,350,221	96.55	38,573,649	96.86	44,347,319	96.67	
	NET TOTAL Beverage	341,524		508,672		5,505,268		6,343,417		
	NET SALES TOTAL	2,598,541		3,858,893		44,078,917		50,690,736		
Cost of Sales										
	TOTAL Food Cost	733,562	32.50	1,085,234	32.39	12,734,421	33.01	14,742,688	33.24	
	TOTAL Beverage Cost	83,251	24.38	113,234	22.26	1,336,805	24.28	1,508,061	23.77	
	TOTAL COGS	816,813	31.43	1,198,468	31.06	14,071,226	31.92	16,250,749	32.06	
	TOTAL INCOME	1,781,728		2,660,425		30,007,691		34,439,987		
Payroll										
	Payroll Sub Total	865,675	33.31	1,248,715	32.36	14,065,993	31.91	16,178,945	31.92	
	Payroll Related Sub Total	146,739	5.65	217,113	5.63	2,693,262	6.11	3,255,112	6.42	
	PAYROLL TOTAL	1,012,414	38.96	1,465,828	37.99	16,759,255	38.02	19,434,057	38.34	
CONTROLLABLES										
	Total Utilities	140,961	5.42	152,000	3.94	1,944,730	4.41	1,924,040	3.80	
	Total Supplies	73,485	2.83	94,457	2.45	1,200,467	2.72	1,424,752	2.81	
	Total Operating	64,114	2.47	81,129	2.10	1,018,391	2.31	1,186,250	2.34	
	Total Marketing	22,054	0.85	31,443	0.81	674,412	1.53	824,444	1.63	
	Total Equipment	69,632	2.68	70,225	1.82	911,253	2.07	1,039,036	2.05	
Uncontrollables										
	Total Licenses	3,455	0.13	4,988	0.13	51,033	0.12	41,270	0.08	
	Total Other Operating Expenses	63,575	2.45	98,552	2.55	1,091,145	2.48	1,477,003	2.91	
	Restaurant Controllable Income	335,494		666,792		6,408,039		7,130,406		
	Total Occupancy Expenses	(310,331)		237,450	6.15	4,343,011	9.85	4,525,989	8.93	
	Total Operating Expenses	126,944	4.89	770,243	19.96	11,234,442	25.49	12,442,783	24.55	
	Restaurant Contribution Income	642,371	24.72	424,354	11.00	2,013,995	4.57	2,563,147	5.06	
	Restaurant Operating Income	332,039	12.78	661,803	17.15	6,357,006	14.42	7,089,136	13.99	
	Total Administrative Expenses	(615,329)		323,433	8.38	2,634,141	5.98	3,239,702	6.39	
	Total Other (Income) and Expense	461,045	17.74	1,561,929	40.48	878,609	1.99	2,428,488	4.79	
	Net earnings (loss) for period	796,654	30.66	(1,461,008)		(1,498,755)		(3,105,043)		
EBITDA		1,027,700	39.55	(1,185,863)		1,740,175	3.95	297,079	0.59	

**McGrath's Publick Fish House, Inc.**  
**Case No. 10-60500-fra11**  
Exhibit 4 - Debtor's Income Statements for 2007, 2008 and 2009

<b>Statement of Earnings - Consolidated</b>									
<b>For The Year Ending December 27, 2009</b>									
		<b>This Period</b>		<b>Same Period</b>		<b>YTD</b>		<b>YTD</b>	
		<b>Actual</b>	<b>%</b>	<b>Last Year</b>	<b>%</b>	<b>Actual</b>	<b>%</b>	<b>Last Year</b>	<b>%</b>
Sales									
	NET TOTAL- Food	2,547,441	96.26	2,257,017	96.31	34,844,583	96.44	38,573,649	96.86
	NET TOTAL Beverage	382,355		341,524		4,914,549		5,505,268	
	NET SALES TOTAL	2,929,796		2,598,541		39,759,131		44,078,917	
Cost of Sales									
	TOTAL Food Cost	813,238	31.92	733,562	32.50	10,893,293	31.26	12,734,421	33.01
	TOTAL Beverage Cost	88,556	23.16	83,251	24.38	1,156,410	23.53	1,336,805	24.28
	TOTAL COGS	901,794	30.78	816,813	31.43	12,049,704	30.31	14,071,226	31.92
	TOTAL INCOME	2,028,002		1,781,728		27,709,428		30,007,691	
Payroll									
	Payroll Sub Total	984,295	33.60	865,675	33.31	12,975,591	32.64	14,065,993	31.91
	Payroll Related Sub Total	138,282	4.72	146,739	5.65	2,507,537	6.31	2,693,262	6.11
	PAYROLL TOTAL	1,122,577	38.32	1,012,414	38.96	15,483,128	38.94	16,759,255	38.02
CONTROLLABLES									
	Total Utilities	133,689	4.56	140,961	5.42	1,795,925	4.52	1,944,730	4.41
	Total Supplies	81,888	2.80	73,485	2.83	1,183,745	2.98	1,200,467	2.72
	Total Operating	64,447	2.20	64,114	2.47	969,823	2.44	1,018,391	2.31
	Total Marketing	64,862	2.21	22,054	0.85	743,936	1.87	674,412	1.53
	Total Equipment	67,400	2.30	69,632	2.68	877,487	2.21	911,253	2.07
Uncontrollables									
	Total Licenses	5,174	0.18	3,455	0.13	46,094	0.12	51,033	0.12
	Total Other Operating Expenses	78,089	2.67	63,575	2.45	1,012,153	2.55	1,091,145	2.48
	Restaurant Controllable Income	415,049		335,494		5,643,232		6,408,039	
	Total Occupancy Expenses	282,497	9.64	(310,331)		3,886,264	9.77	4,343,011	9.85
	Total Operating Expenses	778,046	26.56	126,944	4.89	10,515,426	26.45	11,234,442	25.49
	Restaurant Contribution Income	127,379	4.35	642,371	24.72	1,710,874	4.30	2,013,995	4.57
	Restaurant Operating Income	409,876	13.99	332,039	12.78	5,597,138	14.08	6,357,006	14.42
	Total Administrative Expenses	599,030	20.45	(207,018)		3,311,160	8.33	2,634,141	5.98
	Total Other (Income) and Expense	(53,176)		52,734	2.03	596,845	1.50	878,609	1.99
	Net earnings (loss) for period	(418,476)		796,654	30.66	(2,197,132)		(1,498,755)	
EBITDA		(254,977)		1,027,700	39.55	612,498	1.54	1,740,175	3.95

# EXHIBIT 5

**Case No. 10-60500-fra11**

**Exhibit 5 - Debtor's and McGrath's Properties Year End 2009 Balance Sheet**

<b>McGrath's Publick Fish House, Inc.</b>			
<b>Balance Sheet</b>			
December 27, 2009			
	<b>Current</b>		<b>Unaudited</b>
	<b>Period</b>		<b>Same Period</b>
	<b>ASSETS</b>		<b>Last Year</b>
<b>Current assets:</b>			
Change Fund	30,400.00		30,400.00
Managers' Petty Cash Account	24,510.56		24,510.56
US Bank Cash	(505,315.60)		(722,369.48)
US Bank Daily Money Market	1,368,729.32		804,622.24
Deferred Comp Merrill Lynch	111,699.23		151,699.23
Valley BB Savings 19000481	8,372.18		8,331.53
A/R Related Party	24,206.93		24,206.93
A/R Visa M/C	304,021.20		297,791.06
A/R American Express	86,079.55		66,582.40
A/R Customer	1,761.26		2,571.34
A/R Employee	2,435.50		4,091.96
A/R LLC	949,678.52		1,116,322.28
A/R Insurance claim	4,065.37		0.00
Beverage Inventory	30,037.40		0.00
Seafood Inventory	87,499.89		63,282.35
Meat Inventory	18,293.08		13,392.29
Grocery Inventory	90,118.84		106,929.13
Dairy Inventory	14,942.80		14,662.35
Bread Inventory	6,556.29		4,820.46
Produce Inventory	12,590.52		11,768.34
Liquor Inventory	46,782.02		43,414.95
Wine Inventory	30,802.94		29,534.06
Beer Inventory	27,672.37		24,423.72
Bar Ingredient Inventory	4,701.00		10,034.17
Glassware Inventory	77,169.87		77,169.87
Silverware Inventory	86,173.64		86,173.64
China Inventory	153,346.10		153,346.10
Bar Ware Inventory	9,376.86		9,376.86
Uniforms Inventory	2,906.01		0.00
Prepaid Insurance	59,032.93		0.00
Prepaid Personal Property Tax	(120,179.66)		0.00
Prepaid Real Property Taxes	(388,393.81)		0.00
Prepaid	7,129.54		38,314.00
POS Software Contract	29,792.00		0.00
<b>Total current assets</b>	<b>2,696,994.65</b>		<b>2,495,402.34</b>

**Case No. 10-60500-fra11**

**Exhibit 5 - Debtor's and McGrath's Properties Year End 2009 Balance Sheet**

<b>McGrath's Publick Fish House, Inc.</b>			
<b>Balance Sheet</b>			
December 27, 2009			
		<b>Current</b>	<b>Unaudited</b>
		<b>Period</b>	<b>Same Period</b>
			<b>Last Year</b>
Fixed assets:			
	Building Cost	5,972,511.25	5,972,511.25
	Leasehold	2,887,591.92	2,887,591.92
	Transportation Equipment	144,601.18	144,601.18
	Equipment	19,701,054.68	19,604,224.15
	<b>Total fixed assets</b>	28,705,759.03	28,608,928.50
Projects In Progress:			
	<b>Total projects</b>	0.00	0.00
	<b>Total fixed assets &amp; projects</b>	28,705,759.03	28,608,928.50
	Less accumulated depreciation	(17,980,559.41)	(15,915,194.03)
	<b>Net Fixed assets</b>	10,725,199.62	12,693,734.47
Other assets:			
	Loan Fee	82,697.00	82,697.00
	Liquor License	106,020.00	106,020.00
	Accumulated Amortization	(134,803.03)	(120,481.84)
	<b>Net Other assets</b>	53,913.97	68,235.16
	<b>Total Assets</b>	13,476,108.24	15,257,371.97

**Case No. 10-60500-fra11**

**Exhibit 5 - Debtor's and McGrath's Properties Year End 2009 Balance Sheet**

<b>McGrath's Publick Fish House, Inc.</b>			
<b>Balance Sheet</b>			
December 27, 2009			
		<b>Current</b>	<b>Unaudited</b>
		<b>Period</b>	<b>Same Period</b>
			<b>Last Year</b>
<b><u>LIABILITY AND SHAREHOLDER'S EQUITY</u></b>			
Current liabilities:			
Loan from Officer	150,000.00		150,000.00
Accounts Payable	823,359.06		905,246.34
Rent Payable	511,470.52		106,879.79
Contingent Liability	180,000.00		220,000.00
Gift Cards	502.39		1,640.27
Aloha Cards	871,994.84		744,648.78
Stale Dated P/R checks	68,862.24		65,399.58
Wages Payable	366,386.76		320,537.78
Deferred Comp. Payable	151,699.23		151,699.23
Note Payable	91,896.48		97,357.44
F.I.C.A. Tax Payable	106,292.80		88,514.42
Federal Withholding Payable	28,298.53		32,875.91
Withholding Payable	18,571.96		14,981.12
Worker's Comp	35,484.26		26,406.57
SUI	(2,726.72)		2,903.50
Federal Unemployment Payable	(455.93)		758.71
Oregon Transit Tax Payable	450.77		329.44
Child Support Payable	3,398.93		2,593.92
Garnishments Payable	2,949.29		2,631.90
401 k Deduction	4,028.88		5,158.37
Use Tax Accrued	848.62		0.00
Sales Tax Payable	151,748.41		126,077.85
Washington B & O Tax Payable	2,750.35		2,614.60
Elk Valley Public Improvement Fee	1,610.81		1,785.00
<b>Total current liabilities</b>	<b>3,569,422.48</b>		<b>3,071,040.52</b>
Long term liabilities:			
Loan Payable BMW X5 3.0i	0.00		7,841.68
Loan Payable 2007 Tahoe	0.00		5,058.31
Building Loan Lancaster	1,008,671.44		1,008,671.44
Building Loan Orem	828,805.00		828,805.00
Building Loan Sandy	882,232.00		882,232.00
Bldg. Loan Beaverton	936,900.10		936,900.10
Bldg. Loan Alderwood	1,156,126.36		1,156,126.36
Equipment Lease Orem	70,996.53		70,996.53
Equipment Lease Sandy	146,437.68		146,437.68
Equipment Lease Gateway	133,959.06		133,959.06
Equipment Lease Layton	234,780.02		234,780.02
Equipment Lease Mesa	380,211.46		380,211.46
Equipment Lease Beaverton	402,771.08		402,771.08
Equipment Lease Bend	0.00		2,446.16
Equipment Lease Arcadia Key	583,661.06		583,661.06
Equipment Loan Alderwood	630,796.72		642,740.41
Equipment Loan Medford	0.00		7,322.57
Equipment Loan Eugene	0.00		7,284.17

**Case No. 10-60500-fra11**

**Exhibit 5 - Debtor's and McGrath's Properties Year End 2009 Balance Sheet**

<b>McGrath's Publick Fish House, Inc.</b>			
<b>Balance Sheet</b>			
December 27, 2009			
	<b>Current</b>		<b>Unaudited</b>
	<b>Period</b>		<b>Same Period</b>
			<b>Last Year</b>
Equipment Loan Salem Downtown	0.00		5,884.61
Equipment Loan Corvallis	0.00		7,284.17
Equipment Loan Scottsdale	787,110.45		787,110.45
Equipment Loan Goodyear	952,763.22		952,763.22
Equipment Loan Lakewood	1,200,000.00		1,200,000.00
Equipment Loan Federal Way	995,611.77		995,611.77
Equipment Loan 03 05 07	277,403.29		277,403.29
Equipment Loan 20 & 09	27,980.51		36,535.93
PCI Vulnerability Lease Marlin	59,911.05		72,069.67
PCI Vulnerability Lease Great America	30,764.55		37,499.33
<b>Total long term liabilities</b>	<b>11,727,893.35</b>		<b>11,810,407.53</b>
Shareholder's equity:			
Common Stock 500 Auth 200 Iss	9,699.26		9,699.26
Retained Earnings	366,224.66		1,864,980.03
Profit (loss) for period	(2,197,131.51)		(1,498,755.37)
<b>Total shareholder's equity</b>	<b>(1,821,207.59)</b>		<b>375,923.92</b>
<b>Total Liabilities &amp; Equity</b>	<b>13,476,108.24</b>		<b>15,257,371.97</b>

**Case No. 10-60500-fra11**

**Exhibit 5 - Debtor's and McGrath's Properties Year End 2009 Balance Sheet**

<b>McGrath's Properties, LLC</b>			
<b>Balance Sheet</b>			
<b>For The Year Ending December 31, 2009</b>			
		<b>Unaudited</b>	
		<b>Current</b>	<b>Same Period</b>
		<b>Period</b>	<b>Last Year</b>
Current assets:	<b>ASSETS</b>		
Bank Account General	(9,237.40)		(101,481.88)
Cash Money Funds Sweep Acct.	5,849.34		54,736.33
Rent Receivable Medford	27,660.00		0.00
Rent Receivable Vancouver	44,280.00		0.00
Rent Receivable Davcor	6,300.00		0.00
Rent Receivable Layton	27,690.00		0.00
Rent Receivable Lakewood	27,960.00		0.00
Rent Receivable Goodyear	30,000.00		0.00
Rent Receivable Scottsdale	43,200.00		0.00
Rent Receivable Federal Way	27,060.00		0.00
Prepaid Property Taxes	(11,571.68)		0.00
Prepaid Deposits	12,827.42		0.00
<b>Total current assets</b>	<b>232,017.68</b>		<b>(46,745.55)</b>
Fixed assets:			
Equipment Medford	701,107.08		701,107.08
Buildings Medford	903,409.39		903,409.39
Buildings Vancouver	1,697,326.81		1,697,326.81
Buildings Davcor	188,248.00		188,248.00
Buildings Lakewood	3,002,300.00		3,002,300.00
Buildings Layton	1,555,596.69		1,555,596.69
Buildings Goodyear	2,227,164.00		2,227,164.00
Buildings Federal Way	2,545,800.00		2,545,800.00
Buildings Scottsdale	1,958,332.96		1,958,332.96
Real Property Medford	507,446.38		507,446.38
Real Property Vancouver	729,636.67		729,636.67
Real Property Davcor	54,776.00		54,776.00
Real Property Lakewood	1,200,000.00		1,200,000.00
Real Property Goodyear	801,594.30		801,594.30
<b>Total fixed assets</b>	<b>18,072,738.28</b>		<b>18,072,738.28</b>
Projects In Progress:			
<b>Total projects</b>	<b>0.00</b>		<b>0.00</b>
<b>Total fixed assets &amp; projects</b>	<b>18,072,738.28</b>		<b>18,072,738.28</b>
Less accumulated depreciation			
Accum Depreciation Medford	(1,018,777.60)		(992,708.20)
Accum Depreciation Vancouver	(440,076.41)		(396,553.37)
Accum Depreciation Davcor	(53,370.29)		(48,543.29)
Accum Depreciation Layton	(284,563.96)		(246,622.00)
Accum Depreciation Goodyear	(214,151.04)		(157,044.00)
Accum Depreciation Scottsdale	(230,143.04)		(179,930.00)
Accum Depreciation Lakewood	(211,701.04)		(134,719.00)
Accum Depreciation Federal Way	(141,433.00)		(76,156.00)
<b>Total Accumulated Depreciation</b>	<b>(2,594,216.38)</b>		<b>(2,232,275.86)</b>
<b>Net Fixed Assets</b>	<b>15,478,521.90</b>		<b>15,840,462.42</b>

**Case No. 10-60500-fra11**

**Exhibit 5 - Debtor's and McGrath's Properties Year End 2009 Balance Sheet**

<b>McGrath's Properties, LLC</b>			
<b>Balance Sheet</b>			
<b>For The Year Ending December 31, 2009</b>			
		<b>Unaudited</b>	
		<b>Current</b>	<b>Same Period</b>
		<b>Period</b>	<b>Last Year</b>
		<b>OTHER ASSETS</b>	
Other assets:			
Organization Costs	2,500.00		2,500.00
Loan Fee	330,592.66		330,592.66
Investment McGrath's Marshall	967,122.50		967,122.50
<b>Total Other assets</b>	<b>1,300,215.16</b>		<b>1,300,215.16</b>
Less accumulated amortization			
Accum Amort Organization	(2,500.00)		(2,500.00)
Accum Amort Loan Fee	(72,579.99)		(51,738.39)
<b>Total Accumulated Depreciation</b>	<b>(75,079.99)</b>		<b>(54,238.39)</b>
<b>Net Other Assets</b>	<b>1,225,135.17</b>		<b>1,245,976.77</b>
<b>Total Assets</b>	<b>16,935,674.75</b>		<b>17,039,693.64</b>
<b>LIABILITY AND SHAREHOLDER'S EQUITY</b>			
Current liabilities:			
Accounts Payable	0.00		(220,292.33)
<b>Total current liabilities</b>	<b>0.00</b>		<b>(220,292.33)</b>
Long term liabilities:			
MGF Note Payable	949,678.52		1,116,322.28
Note Payable Krista Reclass Equity	62,084.54		62,084.54
Note Payable Lori Reclass Equity	61,345.54		61,345.54
Note Payable Justin Reclass Equity	62,084.54		62,084.54
Dividend Payable John	1,568.71		1,568.71
Davcor Bldg Loan # 18 USB	58,244.29		58,244.29
Layton Building Loan	860,902.40		860,902.40
Medford Building/Land Loan	1,341,294.00		1,341,294.00
Goodyear Building Loan	2,296,715.25		2,296,715.25
Scottsdale Building Loan	1,362,900.00		1,362,900.00
Vancouver Equity Loan	1,461,078.17		1,461,078.17
Lakewood SBA Loan	1,452,506.43		1,452,506.43
Lakewood Sterling Loan	2,248,900.00		2,248,900.00
Federal Way GE building loan	2,452,321.38		2,452,321.38
<b>Total long term liabilities</b>	<b>14,671,623.77</b>		<b>14,838,267.53</b>
Shareholder's equity:			
Retained Earnings	2,421,718.44		2,444,465.27
Dividends Paid Justin	0.00		(2,092.00)
Profit (loss) for period	(142,198.71)		(20,654.83)
<b>Total shareholder's equity</b>	<b>2,279,519.73</b>		<b>2,421,718.44</b>
<b>Total Liabilities &amp; Equity</b>	<b>16,951,143.50</b>		<b>17,039,693.64</b>

# EXHIBIT 6

<u>Secured Lender</u>	<u>Related Property</u>	<u>Secured Amount estimated sale proceeds</u>	<u>Secured Amount to be paid per plan</u>	<u>Deficiency Amount</u>	<u>Notes regarding Secured Amount</u>
Arizona Business Bank	Goodyear, AZ	\$1,300,000		\$1,097,526	Estimated sale proceeds based on broker's opinion
U.S. Small Business Administration (SBA)	Vancouver, WA & Lakewood, CO		\$95,000	\$1,478,078	to be paid per plan
GE Commercial Business Finance Property (GECBFP)	Salem-Lancaster, OR		\$1,124,800	\$0	to be paid per plan
GE Commercial Business Finance Property (GECBFP)	Federal Way, WA		\$490,000	\$2,260,000	to be paid per plan
GE Commercial Franchise Finance Corp (GECFFC)	Lynnwood, WA	\$166,348		\$1,674,868	secured amount based on liquidation value of equipment
General Electric Capital Corporation (GECC)	Federal Way, WA		\$245,000	\$937,086	to be paid per plan
General Electric Capital Corporation (GECC)	Goodyear, AZ	\$140,000		\$953,486	secured amount based on liquidation value of equipment
General Electric Capital Corporation (GECC)	Scottsdale, AZ	\$140,000		\$717,411	secured amount based on liquidation value of equipment
U.S. Bank N.A.	Salem corporate		\$56,811	\$0	to be paid per plan
U.S. Bank N.A.	Layton, UT		\$860,000	\$0	to be paid per plan or sold
U.S. Bank N.A.	Beaverton, OR		\$936,900	\$0	to be paid per plan
U.S. Bank N.A.	Mesa, AZ (guarantee)	\$425,000			assumes lender realizes \$1.5 million from sale of restaurant by McGrath-Marshall and lender's secured offset claim is valued at \$425,000 and applied to reduce guarantee obligation

<u>Secured Lender</u>	<u>Related Property</u>	<u>Secured Amount estimated sale proceeds</u>	<u>Secured Amount to be paid per plan</u>	<u>Deficiency Amount</u>	<u>Notes regarding Secured Amount</u>
U.S. Bancorp Equipment Finance Inc	Layton, UT		\$198,850	\$35,950	to be paid per plan or sold
U.S. Bancorp Equipment Finance Inc	Mesa, AZ	\$100,000		\$263,639	assumes lender realizes \$1.5 million from sale of restaurant by McGrath-Marshall of which \$100,000 attributable to equipment
U.S. Bancorp Equipment Finance Inc	Beaverton, OR		\$402,771	\$0	to be paid per plan
Sterling Savings Bank	Vancouver, WA (Loan 9002)		\$2,700,000	\$0	to be paid per plan
Sterling Savings Bank	Lakewood, CO (Loan 9001)	\$1,700,000			Estimated sale proceeds or credit for deed in lieu
Sterling Savings Bank	Medford, OR (Loan 9003)		\$400,000	\$284,552	to be paid per plan
KeyBank N.A.	Salt Lake City, UT (Gateway)		\$0	\$130,132	
KeyBank N.A.	Sandy, UT - <i>EQUIPMENT</i>		\$112,500	\$30,000	to be paid per plan
KeyBank N.A.	Sandy, UT - <i>BUILDING</i>		\$637,500	\$270,000	to be paid per plan
KeyBank N.A.	Corvallis, OR - <i>EQUIPMENT</i>		\$575,933	\$0	to be paid per plan
KeyBank N.A.	Orem, UT ( <i>BLDG &amp; EQUIPMENT</i> )	\$450,000		\$460,000	Estimated sale proceeds
KeyBank N.A.	Medford, OR - <i>BUILDING</i>		\$1,383,590		to be paid per plan

<u>Secured Lender</u>	<u>Related Property</u>	<u>Secured Amount estimated sale proceeds</u>	<u>Secured Amount to be paid per plan</u>	<u>Deficiency Amount</u>	<u>Notes regarding Secured Amount</u>
KeyBank N.A.	Scottsdale, AZ - <i>BUILDING</i>	\$500,000		\$895,000	Estimated sale proceeds
KeyBank N.A.	Swaps		\$0	\$450,000	
Bank of the West	POS Equipment in Federal Way, WA		\$15,000	\$21,530	to be paid per plan
Great American Leasing Corp	Computer equipment at six restaurants		\$31,800	\$0	to be paid per plan
<b>TOTALS:</b>		<b>\$4,921,348</b>	<b>\$10,266,455</b>	<b>\$11,959,258</b>	

# EXHIBIT 7

Exhibit 7  
Debtor's Projections

**General Assumptions**

- Plan payments to begin in Period 10 or September 6, 2010
- McGrath's continues to operate on a 13 Period year
- Debt Service, Occupancy costs, Utilities and other expenses are paid 12 times during each plan year, rather than each of the 13 periods, but in the projections the amounts of the occupancy costs are allocated over 13 periods
- All projections rounded to the nearest dollar
- Case will be closed at some point between periods 4 and 6 of 2011

**Sales**

- We have projected the following sales increases in each plan year:
  - Assumption Year 1: up 1%
    - Since the bankruptcy filing sales overall are up 0.85%
    - Compared with last year McGrath's is deploying improved promotions which will drive both traffic and sales
    - A price increase was taken in the lunch and dinner promotions of approximately \$1.00 which will drive top line sales
    - A price increase of \$0.10 in soft drinks and iced tea will be taken beginning in Period 10 which will drive top line sales
  - Assumption Year 2: up 1%
    - General economic conditions will improve escalating sales
    - Slight price increases will be taken to offset any previous, or then existing, escalations in Cost of Goods Sold
  - Assumption Year 3: up 1%
    - General economic conditions will improve escalating sales
    - Slight price increases will be taken to offset any previous, or then existing, escalations in Cost Of Goods Sold

**Expenses**

- Assumption: Cost Of Goods Sold ("COGS") up 1%
  - Recent escalations in COGS have resulted in an overall increase in such expenses of approximately 1%. Commodity experts are forecasting increases and stabilized costs in Q4 2010 and 2011. Specific commodities effected:
    - Dairy
    - Shrimp
    - Beef
    - Shortening (oil used for fryers)
    - Vegetables
    - Paper
- Assumption: Labor 0% (flat)
  - The anticipated revenue increases should not result in any increased labor costs.

Exhibit 7  
Debtor's Projections

- Any additional minimum wage increases to be offset by price increases.
  - It is relevant to point out that neither Oregon nor Washington are “tip-credit” wage states. Unlike other states where restaurants are able to pay servers an hourly wage lower than state mandated minimum wages, Oregon and Washington requires that all employees be paid the state mandated minimum wage. By way of example, in Idaho McGrath’s is able to pay servers \$2.50 per hour despite the state mandated minimum wage of \$7.40 per hour.
  - Potential additional management costs would be in the form of bonuses which are self funding in that they must increase net income in order to be paid additional bonus amounts.
- Assumption: Manager Controllable and Other Expenses 0% (flat)
    - No expected increase in such costs are expected as a result of the increase in revenue.
  - Assumption: Occupancy Expenses 0% (flat)
    - No increase in occupancy costs are expected.
  - Assumption: Administrative Expenses 0% (flat)
    - No increase in Administrative costs are expected.

**Capital Expenditure Reserves**

The Plan incorporates a capital reserve of \$1,500 per month (not period) per unit. Such reserve is intended to cover such items as replacement of HVAC systems, hot water heaters, roof repairs, and the like. It is possible that certain units will not require any capital expenditures during the course of the plan while others require more than their allotted amount. In such case McGrath’s will use its best discretion to protect and secure future business performance.

Yr Over Yr	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
	Pd 10 2010	Pd 11 2010	Pd 12 2010	Pd 13 2010	Pd 1 2011	Pd 2 2011	Pd 3 2011	Pd 4 2011	Pd 5 2011	Pd 6 2011	Pd 7 2011	Pd 8 2011	Pd 9 2011	FYE 9-30-11
	1 Salem	1 Salem	1 Salem	1 Salem	1 Salem	1 Salem	1 Salem	1 Salem	1 Salem	1 Salem	1 Salem	1 Salem	1 Salem	1 Salem
Sales	\$132,114	\$134,421	\$133,532	\$150,027	\$133,288	\$146,952	\$138,333	\$131,456	\$143,577	\$140,929	\$145,875	\$154,957	\$140,467	\$1,825,929
COGS	\$39,634	\$40,326	\$40,059	\$45,008	\$39,987	\$44,086	\$41,500	\$39,437	\$43,073	\$42,279	\$43,763	\$46,487	\$42,140	\$547,779
<b>Gross Profit</b>	<b>\$92,480</b>	<b>\$94,095</b>	<b>\$93,472</b>	<b>\$105,019</b>	<b>\$93,302</b>	<b>\$102,867</b>	<b>\$96,833</b>	<b>\$92,019</b>	<b>\$100,504</b>	<b>\$98,651</b>	<b>\$102,113</b>	<b>\$108,470</b>	<b>\$98,327</b>	<b>\$1,278,150</b>
Labor	\$58,275	\$59,293	\$58,901	\$66,177	\$58,066	\$64,019	\$60,264	\$57,268	\$62,548	\$61,395	\$63,550	\$67,506	\$61,193	\$798,456
Total Mgr Controllable Exp	\$14,003	\$14,248	\$14,153	\$15,902	\$15,242	\$16,805	\$15,819	\$15,033	\$16,419	\$16,116	\$16,682	\$17,720	\$16,063	\$204,206
Total Other Oper Expenses	\$3,117	\$3,171	\$3,150	\$3,540	\$4,091	\$4,510	\$4,246	\$4,035	\$4,407	\$4,326	\$4,477	\$4,756	\$4,311	\$52,138
Occupancy Expenses	\$7,141	\$7,266	\$7,218	\$8,109	\$6,664	\$7,348	\$6,917	\$6,573	\$7,179	\$7,046	\$7,294	\$7,748	\$7,023	\$93,525
Total Restaurant Operating Expense	\$82,536	\$83,978	\$83,422	\$93,728	\$84,064	\$92,682	\$87,246	\$82,909	\$90,553	\$88,883	\$92,003	\$97,730	\$88,591	\$1,148,324
Total Oper Income (loss)	\$9,943	\$10,117	\$10,050	\$11,292	\$9,238	\$10,185	\$9,587	\$9,111	\$9,951	\$9,767	\$10,110	\$10,740	\$9,735	\$129,826
<b>Administrative Expenses</b>														
Corporate Office & Admin Expense Allocation	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$84,615
Other G&A Expenses	\$1,252	\$1,252	\$1,252	\$1,252	\$1,252	\$1,252	\$1,252	\$1,252	\$1,252	\$1,252	\$1,252	\$660	\$660	\$15,092
<b>Total G&amp;A</b>	<b>\$7,761</b>	<b>\$7,761</b>	<b>\$7,761</b>	<b>\$7,761</b>	<b>\$7,761</b>	<b>\$7,761</b>	<b>\$7,761</b>	<b>\$7,761</b>	<b>\$7,761</b>	<b>\$7,761</b>	<b>\$7,761</b>	<b>\$7,169</b>	<b>\$7,169</b>	<b>\$99,707</b>
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>EBITDA (with rent add back)</b>	<b>\$2,182</b>	<b>\$2,356</b>	<b>\$2,289</b>	<b>\$3,531</b>	<b>\$1,477</b>	<b>\$2,424</b>	<b>\$1,827</b>	<b>\$1,350</b>	<b>\$2,190</b>	<b>\$2,007</b>	<b>\$2,349</b>	<b>\$3,571</b>	<b>\$2,566</b>	<b>\$30,119</b>
	1.65%	1.75%	1.71%	2.35%	1.11%	1.65%	1.32%	1.03%	1.53%	1.42%	1.61%	2.30%	1.83%	
US Trustee Fee	\$0	\$0	\$0	\$1,000	\$0	\$0	\$0	\$1,000	\$0	\$0	\$0	\$0	\$0	\$2,000
Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Tax Payment on past due taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Debt Service Corporate	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$4,204
<b>Net Cash Flow</b>	<b>\$1,832</b>	<b>\$2,006</b>	<b>\$1,939</b>	<b>\$2,180</b>	<b>\$1,127</b>	<b>\$2,074</b>	<b>\$1,476</b>	<b>(\$0)</b>	<b>\$1,840</b>	<b>\$1,656</b>	<b>\$1,999</b>	<b>\$3,220</b>	<b>\$2,566</b>	<b>\$23,914</b>
Capital Reserve Loan	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$0	\$18,000
<b>Net Cash Flow after Reserve</b>	<b>\$332</b>	<b>\$506</b>	<b>\$439</b>	<b>\$680</b>	<b>(\$373)</b>	<b>\$574</b>	<b>(\$24)</b>	<b>(\$1,500)</b>	<b>\$340</b>	<b>\$156</b>	<b>\$499</b>	<b>\$1,720</b>	<b>\$2,566</b>	<b>\$5,914</b>
SSS Growth	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	
COGS	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%
Labor	44.55%	44.55%	44.55%	44.55%	44.00%	44.00%	44.00%	44.00%	44.00%	44.00%	44.00%	44.00%	44.00%	43.73%
Labor Savings														
Mgr Controllables	10.71%	10.71%	10.71%	10.71%	11.55%	11.55%	11.55%	11.55%	11.55%	11.55%	11.55%	11.55%	11.55%	11.18%
Total Other Exp	2.38%	2.38%	2.38%	2.38%	3.10%	3.10%	3.10%	3.10%	3.10%	3.10%	3.10%	3.10%	3.10%	2.86%
Occupancy	5.41%	5.41%	5.41%	5.41%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.12%
Corporate Overhead	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	
Annual Total Corporate Overhead	<b>Annual G&amp;A</b>	<b>Per Store Per Period</b>	<b># Units</b>	<b>10,000 toggle</b>										
	<b>\$1,100,000</b>	<b>\$6,509</b>	<b>13</b>	<b>0</b>										
Other G&A Expenses	1,252	1,252	1,252	1,252	1,252	1,252	1,252	1,252	1,252	1,252	1,252	660	660	
<b>Expenses in Dollars at 0% SSS Growth</b>														
Labor	\$58,275	\$59,293	\$58,901	\$66,177	\$58,066	\$64,019	\$60,264	\$57,268	\$62,548	\$61,395	\$63,550	\$67,506	\$61,193	
Mgr Controllables	\$14,003	\$14,248	\$14,153	\$15,902	\$15,242	\$16,805	\$15,819	\$15,033	\$16,419	\$16,116	\$16,682	\$17,720	\$16,063	
Total Other Exp	\$3,117	\$3,171	\$3,150	\$3,540	\$4,091	\$4,510	\$4,246	\$4,035	\$4,407	\$4,326	\$4,477	\$4,756	\$4,311	
Occupancy	\$7,070	\$7,194	\$7,146	\$8,029	\$6,598	\$7,275	\$6,848	\$6,508	\$7,108	\$6,977	\$7,222	\$7,671	\$6,954	
Debt Service														
<b>Prior Year Sales</b>	<b>130,806</b>	<b>133,091</b>	<b>132,209</b>	<b>148,542</b>	<b>131,969</b>	<b>145,497</b>	<b>136,963</b>	<b>130,155</b>	<b>142,155</b>	<b>139,534</b>	<b>144,431</b>	<b>153,422</b>	<b>139,076</b>	
Average Last 4 Pds COGS				30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	
Average Last 4 Pds Labor				44.55%	44.41%	44.28%	44.14%	44.00%	44.00%	44.00%	44.00%	44.00%	44.00%	
Average Last 4 Pds Total Mgr Average Last 4 Pds Controllable Exp				10.71%	10.92%	11.13%	11.34%	11.55%	11.55%	11.55%	11.55%	11.55%	11.55%	
Avg last 4 pds Total Other Oper Expenses				2.38%	2.56%	2.74%	2.92%	3.10%	3.10%	3.10%	3.10%	3.10%	3.10%	
Average Last 4 Pds Occupancy Expenses				5.41%	5.30%	5.20%	5.10%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	

Yr Over Yr	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
	Pd 10 2010	Pd 11 2010	Pd 12 2010	Pd 13 2010	Pd 1 2011	Pd 2 2011	Pd 3 2011	Pd 4 2011	Pd 5 2011	Pd 6 2011	Pd 7 2011	Pd 8 2011	Pd 9 2011	FYE 9-30-11
	2 Lancaster	2 Lancaster	2 Lancaster	2 Lancaster	2 Lancaster	2 Lancaster	2 Lancaster	2 Lancaster	2 Lancaster	2 Lancaster	2 Lancaster	2 Lancaster	2 Lancaster	2 Lancaster
Sales	\$224,897	\$238,633	\$226,048	\$238,298	\$240,194	\$259,935	\$240,766	\$222,392	\$233,403	\$226,329	\$230,187	\$242,253	\$241,625	\$3,064,959
COGS	\$69,718	\$73,976	\$70,075	\$73,872	\$74,460	\$80,580	\$74,637	\$68,942	\$72,355	\$70,162	\$71,358	\$75,098	\$74,904	\$950,137
Gross Profit	\$155,179	\$164,657	\$155,973	\$164,426	\$165,734	\$179,355	\$166,128	\$153,451	\$161,048	\$156,167	\$158,829	\$167,155	\$166,721	\$2,114,822
Labor	\$80,147	\$85,042	\$80,557	\$84,923	\$83,235	\$90,077	\$83,434	\$77,067	\$80,882	\$78,431	\$79,768	\$83,949	\$83,731	\$1,071,242
Total Mgr Controllable Exp	\$24,488	\$25,983	\$24,613	\$25,947	\$26,160	\$28,310	\$26,222	\$24,221	\$25,420	\$24,650	\$25,070	\$26,384	\$26,316	\$333,783
Total Other Oper Expenses	\$4,696	\$4,983	\$4,720	\$4,976	\$7,134	\$7,721	\$7,151	\$6,606	\$6,933	\$6,723	\$6,837	\$7,196	\$7,177	\$82,854
Occupancy Expenses	\$10,188	\$10,810	\$10,240	\$10,795	\$11,994	\$12,979	\$11,672	\$10,781	\$11,315	\$10,653	\$10,834	\$11,800	\$12,387	\$146,447
Total Restaurant Operating Expense	\$119,519	\$126,818	\$120,130	\$126,641	\$128,523	\$139,087	\$128,479	\$118,674	\$124,550	\$120,455	\$122,509	\$129,329	\$129,611	\$1,634,326
Total Oper Income (loss)	\$35,660	\$37,838	\$35,843	\$37,785	\$37,210	\$40,269	\$37,649	\$34,776	\$36,498	\$35,711	\$36,320	\$37,826	\$37,110	\$480,496
Administrative Expenses														
Corporate Office & Admin Expense Allocation	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$84,615
Other G&A Expenses	\$1,490	\$1,490	\$1,490	\$1,490	\$1,490	\$1,490	\$1,490	\$1,490	\$1,490	\$1,490	\$1,490	\$898	\$898	\$18,186
Total G&A	\$7,999	\$7,999	\$7,999	\$7,999	\$7,999	\$7,999	\$7,999	\$7,999	\$7,999	\$7,999	\$7,999	\$7,407	\$7,407	\$102,801
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
EBITDA (with rent add back)	\$27,661	\$29,839	\$27,844	\$29,786	\$29,212	\$32,270	\$29,650	\$26,777	\$28,499	\$27,712	\$28,321	\$30,419	\$29,703	\$377,695
	12.30%	12.50%	12.32%	12.50%	12.16%	12.41%	12.32%	12.04%	12.21%	12.24%	12.30%	12.56%	12.29%	
US Trustee Fee	\$0	\$0	\$0	\$1,000	\$0	\$0	\$0	\$1,000	\$0	\$0	\$0	\$0	\$0	\$2,000
Debt Service	\$14,621	\$14,621	\$14,621	\$14,621	\$14,621	\$14,621	\$14,621	\$14,621	\$14,621	\$14,621	\$14,621	\$14,621	\$0	\$175,449
Tax Payment on past due taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Debt Service Corporate	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$0	\$4,204
Net Cash Flow	\$12,690	\$14,868	\$12,873	\$13,815	\$14,240	\$17,299	\$14,679	\$10,806	\$13,528	\$12,741	\$13,350	\$15,448	\$29,703	\$196,042
Capital Reserve Loan	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$0	\$18,000
Net Cash Flow after Reserve	\$11,190	\$13,368	\$11,373	\$12,315	\$12,740	\$15,799	\$13,179	\$9,306	\$12,028	\$11,241	\$11,850	\$13,948	\$29,703	\$178,042
SSS Growth	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	
COGS	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%
Labor	35.99%	35.99%	35.99%	35.99%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	34.95%
Labor Savings														
Mgr Controllables	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%	10.89%
Total Other Exp	2.11%	2.11%	2.11%	2.11%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	2.70%
Occupancy	4.58%	4.58%	4.58%	4.58%	5.04%	5.04%	4.90%	4.90%	4.90%	4.75%	4.75%	4.92%	5.18%	4.78%
Corporate Overhead	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	
Annual Total Corporate Overhead														
Other G&A Expenses	1,490	1,490	1,490	1,490	1,490	1,490	1,490	1,490	1,490	1,490	1,490	898	898	
Expenses in Dollars at 0% SSS Growth														
Labor	\$80,147	\$85,042	\$80,557	\$84,923	\$83,235	\$90,077	\$83,434	\$77,067	\$80,882	\$78,431	\$79,768	\$83,949	\$83,731	
Mgr Controllables	\$24,488	\$25,983	\$24,613	\$25,947	\$26,160	\$28,310	\$26,222	\$24,221	\$25,420	\$24,650	\$25,070	\$26,384	\$26,316	
Total Other Exp	\$4,696	\$4,983	\$4,720	\$4,976	\$7,134	\$7,721	\$7,151	\$6,606	\$6,933	\$6,723	\$6,837	\$7,196	\$7,177	
Occupancy	\$10,188	\$10,810	\$10,240	\$10,795	\$11,994	\$12,979	\$11,672	\$10,781	\$11,315	\$10,653	\$10,834	\$11,800	\$12,387	
Debt Service														
Prior Year Sales	222,670	236,270	223,810	235,939	237,815	257,362	238,382	220,190	231,092	224,088	227,908	239,854	239,233	
Average Last 4 Pds COGS				31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	
Average Last 4 Pds Labor				35.99%	35.75%	35.50%	35.25%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	
Average Last 4 Pds Total Mgr Average Last 4 Pds Controllable Exp				11.00%	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%	
Avg last 4 pds Total Other Oper Expenses				2.11%	2.33%	2.55%	2.78%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	
Average Last 4 Pds Occupancy Expenses				4.58%	4.69%	4.81%	4.89%	4.97%	4.93%	4.86%	4.83%	4.83%	4.90%	

Yr Over Yr	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	
	Pd 10 2010	Pd 11 2010	Pd 12 2010	Pd 13 2010	Pd 1 2011	Pd 2 2011	Pd 3 2011	Pd 4 2011	Pd 5 2011	Pd 6 2011	Pd 7 2011	Pd 8 2011	Pd 9 2011	FYE 9-30-11	
	3 Bend	3 Bend	3 Bend	3 Bend	3 Bend	3 Bend	3 Bend	3 Bend	3 Bend	3 Bend	3 Bend	3 Bend	3 Bend	3 Bend	
Sales	\$152,410	\$160,248	\$145,748	\$150,925	\$134,323	\$132,313	\$122,057	\$131,459	\$136,578	\$159,202	\$169,332	\$183,589	\$173,934	\$1,952,117	
COGS	\$47,247	\$49,677	\$45,182	\$46,787	\$41,640	\$41,017	\$37,838	\$40,752	\$42,339	\$49,353	\$52,493	\$56,912	\$53,919	\$605,156	
Gross Profit	\$105,163	\$110,571	\$100,566	\$104,138	\$92,683	\$91,296	\$84,219	\$90,707	\$94,239	\$109,850	\$116,839	\$126,676	\$120,014	\$1,346,961	
Labor	\$57,334	\$60,283	\$54,828	\$56,776	\$50,537	\$49,781	\$45,922	\$49,460	\$51,386	\$59,898	\$63,709	\$69,073	\$65,440	\$734,427	
Total Mgr Controllable Exp	\$19,567	\$20,574	\$18,712	\$19,377	\$18,701	\$18,455	\$17,013	\$18,368	\$19,074	\$22,239	\$23,593	\$25,084	\$23,765	\$264,522	
Total Other Oper Expenses	\$3,674	\$3,863	\$3,513	\$3,638	\$3,990	\$3,930	\$3,625	\$3,905	\$4,057	\$4,729	\$5,030	\$5,453	\$5,166	\$54,573	
Occupancy Expenses	\$9,960	\$10,472	\$9,524	\$9,863	\$7,450	\$8,069	\$7,188	\$8,699	\$8,845	\$10,412	\$9,780	\$10,776	\$9,542	\$120,578	
Total Restaurant Operating Expense	\$90,535	\$95,191	\$86,578	\$89,653	\$80,678	\$80,235	\$73,748	\$80,431	\$83,361	\$97,277	\$102,112	\$110,386	\$103,914	\$1,174,101	
Total Oper Income (loss)	\$14,628	\$15,380	\$13,988	\$14,485	\$12,005	\$11,061	\$10,471	\$10,276	\$10,877	\$12,572	\$14,727	\$16,290	\$16,100	\$172,860	
Administrative Expenses															
Corporate Office & Admin Expense Allocation	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$84,615	
Other G&A Expenses	\$2,324	\$2,324	\$2,324	\$2,324	\$2,324	\$2,324	\$2,324	\$2,324	\$2,324	\$2,324	\$2,324	\$1,732	\$1,732	\$29,028	
Total G&A	\$8,833	\$8,833	\$8,833	\$8,833	\$8,833	\$8,833	\$8,833	\$8,833	\$8,833	\$8,833	\$8,833	\$8,241	\$8,241	\$113,643	
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
EBITDA (with rent add back)	\$5,795	\$6,547	\$5,155	\$5,652	\$3,172	\$2,228	\$1,638	\$1,443	\$2,044	\$3,740	\$5,895	\$8,049	\$7,859	\$59,216	
	3.80%	4.09%	3.54%	3.75%	2.36%	1.68%	1.34%	1.10%	1.50%	2.35%	3.48%	4.38%	4.52%		
US Trustee Fee	\$0	\$0	\$0	\$1,000	\$0	\$0	\$0	\$1,000	\$0	\$0	\$0	\$0	\$0	\$2,000	
Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Tax Payment on past due taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Debt Service Corporate	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$4,204	
Net Cash Flow	\$5,444	\$6,197	\$4,805	\$4,302	\$2,821	\$1,878	\$1,287	\$93	\$1,694	\$3,389	\$5,544	\$7,699	\$7,859	\$53,012	
Capital Reserve Loan	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$0	\$18,000	
Net Cash Flow after Reserve	\$3,944	\$4,697	\$3,305	\$2,802	\$1,321	\$378	(\$213)	(\$1,407)	\$194	\$1,889	\$4,044	\$6,199	\$7,859	\$35,012	
SSS Growth	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%		
COGS	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	
Labor	37.99%	37.99%	37.99%	37.99%	38.00%	38.00%	38.00%	38.00%	38.00%	38.00%	38.00%	38.00%	38.00%	37.62%	
Labor Savings															
Mgr Controllables	12.97%	12.97%	12.97%	12.97%	14.06%	14.09%	14.08%	14.11%	14.11%	14.11%	14.07%	13.80%	13.80%	13.55%	
Total Other Exp	2.43%	2.43%	2.43%	2.43%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	2.80%	
Occupancy	6.53%	6.53%	6.53%	6.53%	5.55%	6.10%	5.89%	6.62%	6.48%	6.54%	5.78%	5.87%	5.49%	6.18%	
Corporate Overhead	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509		
Annual Total Corporate Overhead															
Other G&A Expenses	2,324	2,324	2,324	2,324	2,324	2,324	2,324	2,324	2,324	2,324	2,324	1,732	1,732		
Expenses in Dollars at 0% SSS Growth															
Labor	\$57,334	\$60,283	\$54,828	\$56,776	\$50,537	\$49,781	\$45,922	\$49,460	\$51,386	\$59,898	\$63,709	\$69,073	\$65,440		
Mgr Controllables	\$19,567	\$20,574	\$18,712	\$19,377	\$18,701	\$18,455	\$17,013	\$18,368	\$19,074	\$22,239	\$23,593	\$25,084	\$23,765		
Total Other Exp	\$3,674	\$3,863	\$3,513	\$3,638	\$3,990	\$3,930	\$3,625	\$3,905	\$4,057	\$4,729	\$5,030	\$5,453	\$5,166		
Occupancy	\$9,861	\$10,368	\$9,430	\$9,765	\$7,376	\$7,989	\$7,117	\$8,612	\$8,757	\$10,309	\$9,683	\$10,669	\$9,448		
Debt Service															
Prior Year Sales	150,901	158,661	144,305	149,431	132,993	131,003	120,848	130,158	135,225	157,626	167,655	181,771	172,212		
Average Last 4 Pds COGS				31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%		
Average Last 4 Pds Labor				37.99%	38.00%	38.00%	38.00%	38.00%	38.00%	38.00%	38.00%	38.00%	38.00%		
Average Last 4 Pds Total Mgr Average Last 4 Pds Controllable Exp				12.97%	13.24%	13.52%	13.80%	14.08%	14.10%	14.10%	14.02%	14.02%	13.95%		
Avg last 4 pds Total Other Oper Expenses				2.43%	2.58%	2.72%	2.86%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%		
Average Last 4 Pds Occupancy Expenses				6.53%	6.29%	6.18%	6.02%	6.04%	6.27%	6.38%	6.35%	6.17%	5.92%		
												</			

Yr Over Yr	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
	Pd 10 2010	Pd 11 2010	Pd 12 2010	Pd 13 2010	Pd 1 2011	Pd 2 2011	Pd 3 2011	Pd 4 2011	Pd 5 2011	Pd 6 2011	Pd 7 2011	Pd 8 2011	Pd 9 2011	FYE 9-30-11
	4 Milwuakie	4 Milwuakie	4 Milwuakie	4 Milwuakie	4 Milwuakie	4 Milwuakie	4 Milwuakie	4 Milwuakie	4 Milwuakie	4 Milwuakie	4 Milwuakie	4 Milwuakie	4 Milwuakie	4 Milwuakie
Sales	\$182,563	\$188,619	\$186,927	\$185,415	\$191,968	\$206,054	\$196,549	\$194,568	\$203,857	\$188,632	\$198,972	\$204,387	\$185,113	\$2,513,623
COGS	\$55,682	\$57,529	\$57,013	\$56,552	\$58,550	\$62,847	\$59,947	\$59,343	\$62,176	\$57,533	\$60,686	\$62,338	\$56,459	\$766,655
Gross Profit	\$126,881	\$131,090	\$129,915	\$128,863	\$133,418	\$143,208	\$136,601	\$135,224	\$141,681	\$131,099	\$138,285	\$142,049	\$128,653	\$1,746,968
Labor	\$70,411	\$72,746	\$72,094	\$71,510	\$73,176	\$78,545	\$74,922	\$74,167	\$77,708	\$71,904	\$75,846	\$77,910	\$70,563	\$961,502
Total Mgr Controllable Exp	\$20,642	\$21,326	\$21,135	\$20,964	\$21,201	\$22,759	\$21,710	\$21,484	\$22,509	\$20,828	\$21,974	\$22,361	\$20,252	\$279,146
Total Other Oper Expenses	\$3,899	\$4,028	\$3,992	\$3,960	\$5,702	\$6,120	\$5,838	\$5,779	\$6,055	\$5,603	\$5,910	\$6,071	\$5,498	\$68,455
Occupancy Expenses	\$13,579	\$14,029	\$13,903	\$13,791	\$14,846	\$16,080	\$15,463	\$14,785	\$15,429	\$14,265	\$15,375	\$16,036	\$14,523	\$192,105
Total Restaurant Operating Expense	\$108,529	\$112,129	\$111,124	\$110,225	\$114,925	\$123,504	\$117,934	\$116,215	\$121,702	\$112,600	\$119,105	\$122,378	\$110,837	\$1,501,208
Total Oper Income (loss)	\$18,352	\$18,961	\$18,791	\$18,639	\$18,492	\$19,703	\$18,668	\$19,009	\$19,979	\$18,499	\$19,180	\$19,671	\$17,816	\$245,760
Administrative Expenses														
Corporate Office & Admin Expense Allocation	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$84,615
Other G&A Expenses	\$1,367	\$1,367	\$1,367	\$1,367	\$1,367	\$1,367	\$1,367	\$1,367	\$1,367	\$1,367	\$1,367	\$775	\$775	\$16,587
Total G&A	\$7,876	\$7,876	\$7,876	\$7,876	\$7,876	\$7,876	\$7,876	\$7,876	\$7,876	\$7,876	\$7,876	\$7,284	\$7,284	\$101,202
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
EBITDA (with rent add back)	\$10,476	\$11,085	\$10,915	\$10,763	\$10,617	\$11,827	\$10,792	\$11,133	\$12,103	\$10,623	\$11,305	\$12,388	\$10,533	\$144,558
	5.74%	5.88%	5.84%	5.80%	5.53%	5.74%	5.49%	5.72%	5.94%	5.63%	5.68%	6.06%	5.69%	
US Trustee Fee	\$0	\$0	\$0	\$1,000	\$0	\$0	\$0	\$1,000	\$0	\$0	\$0	\$0	\$0	\$2,000
Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Tax Payment on past due taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Debt Service Corporate	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$0	\$4,204
Net Cash Flow	\$10,126	\$10,734	\$10,564	\$9,412	\$10,266	\$11,477	\$10,441	\$9,783	\$11,753	\$10,273	\$10,954	\$12,037	\$10,533	\$138,353
Capital Reserve Loan	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$0	\$18,000
Net Cash Flow after Reserve	\$8,626	\$9,234	\$9,064	\$7,912	\$8,766	\$9,977	\$8,941	\$8,283	\$10,253	\$8,773	\$9,454	\$10,537	\$10,533	\$120,353
SSS Growth	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	
COGS	30.50%	30.50%	30.50%	30.50%	30.50%	30.50%	30.50%	30.50%	30.50%	30.50%	30.50%	30.50%	30.50%	30.50%
Labor	38.95%	38.95%	38.95%	38.95%	38.50%	38.50%	38.50%	38.50%	38.50%	38.50%	38.50%	38.50%	38.50%	38.25%
Labor Savings														
Mgr Controllables	11.42%	11.42%	11.42%	11.42%	11.15%	11.16%	11.16%	11.15%	11.15%	11.15%	11.15%	11.05%	11.05%	11.11%
Total Other Exp	2.16%	2.16%	2.16%	2.16%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	2.72%
Occupancy	7.44%	7.44%	7.44%	7.44%	7.73%	7.80%	7.87%	7.60%	7.57%	7.56%	7.73%	7.85%	7.85%	7.64%
Corporate Overhead	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	
Annual Total Corporate Overhead														
Other G&A Expenses	1,367	1,367	1,367	1,367	1,367	1,367	1,367	1,367	1,367	1,367	1,367	775	775	
Expenses in Dollars at 0% SSS Growth														
Labor	\$70,411	\$72,746	\$72,094	\$71,510	\$73,176	\$78,545	\$74,922	\$74,167	\$77,708	\$71,904	\$75,846	\$77,910	\$70,563	
Mgr Controllables	\$20,642	\$21,326	\$21,135	\$20,964	\$21,201	\$22,759	\$21,710	\$21,484	\$22,509	\$20,828	\$21,974	\$22,361	\$20,252	
Total Other Exp	\$3,899	\$4,028	\$3,992	\$3,960	\$5,702	\$6,120	\$5,838	\$5,779	\$6,055	\$5,603	\$5,910	\$6,071	\$5,498	
Occupancy	\$13,444	\$13,890	\$13,766	\$13,654	\$14,699	\$15,921	\$15,310	\$14,639	\$15,276	\$14,124	\$15,223	\$15,877	\$14,380	
Debt Service														
Prior Year Sales	180,755	186,751	185,077	183,579	190,068	204,014	194,603	192,641	201,839	186,764	197,002	202,364	183,280	
Average Last 4 Pds COGS				30.50%	30.50%	30.50%	30.50%	30.50%	30.50%	30.50%	30.50%	30.50%	30.50%	
Average Last 4 Pds Labor				38.95%	38.84%	38.73%	38.61%	38.50%	38.50%	38.50%	38.50%	38.50%	38.50%	
Average Last 4 Pds Total Mgr Average Last 4 Pds Controllable Exp				11.42%	11.35%	11.29%	11.22%	11.15%	11.15%	11.15%	11.13%	11.10%		
Avg last 4 pds Total Other Oper Expenses				2.16%	2.37%	2.58%	2.79%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	
Average Last 4 Pds Occupancy Expenses				7.44%	7.51%	7.60%	7.71%	7.75%	7.71%	7.65%	7.61%	7.68%	7.75%	

Yr Over Yr	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
	Pd 10 2010	Pd 11 2010	Pd 12 2010	Pd 13 2010	Pd 1 2011	Pd 2 2011	Pd 3 2011	Pd 4 2011	Pd 5 2011	Pd 6 2011	Pd 7 2011	Pd 8 2011	Pd 9 2011	FYE 9-30-11
	5 Eugene	5 Eugene	5 Eugene	5 Eugene	5 Eugene	5 Eugene	5 Eugene	5 Eugene	5 Eugene	5 Eugene	5 Eugene	5 Eugene	5 Eugene	5 Eugene
Sales	\$207,595	\$210,633	\$208,266	\$203,611	\$217,997	\$225,919	\$212,803	\$208,299	\$220,635	\$209,308	\$215,286	\$220,820	\$207,122	\$2,768,293
COGS	\$66,430	\$67,402	\$66,645	\$65,155	\$69,759	\$72,294	\$68,097	\$66,656	\$70,603	\$66,978	\$68,892	\$70,662	\$66,279	\$885,854
Gross Profit	\$141,165	\$143,230	\$141,621	\$138,455	\$148,238	\$153,625	\$144,706	\$141,643	\$150,032	\$142,329	\$146,394	\$150,157	\$140,843	\$1,882,439
Labor	\$76,300	\$77,417	\$76,547	\$74,836	\$78,781	\$81,644	\$76,904	\$75,276	\$79,734	\$75,641	\$77,801	\$79,801	\$74,851	\$1,005,533
Total Mgr Controllable Exp	\$26,621	\$27,011	\$26,707	\$26,110	\$28,741	\$29,810	\$28,079	\$27,485	\$29,113	\$27,618	\$28,407	\$28,204	\$26,454	\$360,361
Total Other Oper Expenses	\$4,543	\$4,610	\$4,558	\$4,456	\$6,475	\$6,710	\$6,321	\$6,187	\$6,554	\$6,217	\$6,395	\$6,559	\$6,152	\$75,736
Occupancy Expenses	\$14,791	\$15,008	\$14,839	\$14,507	\$15,675	\$16,683	\$15,716	\$15,384	\$16,297	\$15,461	\$15,904	\$15,806	\$14,827	\$200,898
Total Restaurant Operating Expense	\$122,256	\$124,045	\$122,651	\$119,909	\$129,671	\$134,848	\$127,020	\$124,333	\$131,697	\$124,937	\$128,507	\$130,370	\$122,284	\$1,642,529
Total Oper Income (loss)	\$18,909	\$19,186	\$18,970	\$18,546	\$18,567	\$18,777	\$17,686	\$17,310	\$18,334	\$17,392	\$17,888	\$19,787	\$18,559	\$229,910
Administrative Expenses														
Corporate Office & Admin Expense Allocation	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$84,615
Other G&A Expenses	\$1,596	\$1,596	\$1,596	\$1,596	\$1,596	\$1,596	\$1,596	\$1,596	\$1,596	\$1,596	\$1,596	\$1,004	\$1,004	\$19,564
Total G&A	\$8,105	\$8,105	\$8,105	\$8,105	\$8,105	\$8,105	\$8,105	\$8,105	\$8,105	\$8,105	\$8,105	\$7,513	\$7,513	\$104,179
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
EBITDA (with rent add back)	\$10,804	\$11,081	\$10,865	\$10,441	\$10,462	\$10,672	\$9,581	\$9,205	\$10,229	\$9,287	\$9,783	\$12,275	\$11,046	\$135,731
	5.20%	5.26%	5.22%	5.13%	4.80%	4.72%	4.50%	4.42%	4.64%	4.44%	4.54%	5.56%	5.33%	
US Trustee Fee	\$0	\$0	\$0	\$1,000	\$0	\$0	\$0	\$1,000	\$0	\$0	\$0	\$0	\$0	\$2,000
Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Tax Payment on past due taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Debt Service Corporate	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$0	\$4,204
Net Cash Flow	\$10,454	\$10,730	\$10,515	\$9,091	\$10,111	\$10,322	\$9,230	\$7,855	\$9,879	\$8,937	\$9,432	\$11,924	\$11,046	\$129,526
Capital Reserve Loan	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$0	\$18,000
Net Cash Flow after Reserve	\$8,954	\$9,230	\$9,015	\$7,591	\$8,611	\$8,822	\$7,730	\$6,355	\$8,379	\$7,437	\$7,932	\$10,424	\$11,046	\$111,526
SSS Growth	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	
COGS	32.00%	32.00%	32.00%	32.00%	32.00%	32.00%	32.00%	32.00%	32.00%	32.00%	32.00%	32.00%	32.00%	32.00%
Labor	37.12%	37.12%	37.12%	37.12%	36.50%	36.50%	36.50%	36.50%	36.50%	36.50%	36.50%	36.50%	36.50%	36.32%
Labor Savings														
Mgr Controllables	12.95%	12.95%	12.95%	12.95%	13.32%	13.33%	13.33%	13.33%	13.33%	13.33%	13.33%	12.90%	12.90%	13.02%
Total Other Exp	2.21%	2.21%	2.21%	2.21%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	2.74%
Occupancy	7.13%	7.13%	7.13%	7.13%	7.19%	7.38%	7.39%	7.39%	7.39%	7.39%	7.39%	7.16%	7.16%	7.26%
Corporate Overhead	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	
Annual Total Corporate Overhead														
Other G&A Expenses	1,596	1,596	1,596	1,596	1,596	1,596	1,596	1,596	1,596	1,596	1,596	1,004	1,004	
Expenses in Dollars at 0% SSS Growth														
Labor	\$76,300	\$77,417	\$76,547	\$74,836	\$78,781	\$81,644	\$76,904	\$75,276	\$79,734	\$75,641	\$77,801	\$79,801	\$74,851	
Mgr Controllables	\$26,621	\$27,011	\$26,707	\$26,110	\$28,741	\$29,810	\$28,079	\$27,485	\$29,113	\$27,618	\$28,407	\$28,204	\$26,454	
Total Other Exp	\$4,543	\$4,610	\$4,558	\$4,456	\$6,475	\$6,710	\$6,321	\$6,187	\$6,554	\$6,217	\$6,395	\$6,559	\$6,152	
Occupancy	\$14,645	\$14,859	\$14,692	\$14,364	\$15,519	\$16,518	\$15,560	\$15,232	\$16,135	\$15,308	\$15,746	\$15,650	\$14,680	
Debt Service														
Prior Year Sales	205,540	208,547	206,204	201,595	215,839	223,683	210,696	206,237	218,450	207,235	213,154	218,633	205,072	
Average Last 4 Pds COGS				32.00%	32.00%	32.00%	32.00%	32.00%	32.00%	32.00%	32.00%	32.00%	32.00%	
Average Last 4 Pds Labor				37.12%	36.97%	36.81%	36.66%	36.50%	36.50%	36.50%	36.50%	36.50%	36.50%	
Average Last 4 Pds Total Mgr Average Last 4 Pds Controllable Exp				12.95%	13.04%	13.14%	13.23%	13.32%	13.33%	13.33%	13.22%	13.11%		
Avg last 4 pds Total Other Oper Expenses				2.21%	2.41%	2.61%	2.80%	3.00%	3.00%	3.00%	3.00%	3.00%		
Average Last 4 Pds Occupancy Expenses				7.13%	7.14%	7.21%	7.27%	7.34%	7.39%	7.39%	7.39%	7.33%	7.27%	

Yr Over Yr	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	
	Pd 10 2010	Pd 11 2010	Pd 12 2010	Pd 13 2010	Pd 1 2011	Pd 2 2011	Pd 3 2011	Pd 4 2011	Pd 5 2011	Pd 6 2011	Pd 7 2011	Pd 8 2011	Pd 9 2011	FYE 9-30-11	
	6 Corvallis	6 Corvallis	6 Corvallis	6 Corvallis	6 Corvallis	6 Corvallis	6 Corvallis	6 Corvallis	6 Corvallis	6 Corvallis	6 Corvallis	6 Corvallis	6 Corvallis	6 Corvallis	
Sales	\$159,715	\$165,515	\$157,018	\$142,515	\$168,169	\$168,360	\$169,142	\$161,513	\$176,852	\$173,389	\$160,331	\$168,924	\$149,879	\$2,121,319	
COGS	\$49,512	\$51,310	\$48,676	\$44,179	\$52,132	\$52,191	\$52,434	\$50,069	\$54,824	\$53,750	\$49,702	\$52,366	\$46,463	\$657,609	
Gross Profit	\$110,203	\$114,205	\$108,342	\$98,335	\$116,037	\$116,168	\$116,708	\$111,444	\$122,028	\$119,638	\$110,628	\$116,557	\$103,417	\$1,463,710	
Labor	\$60,980	\$63,195	\$59,950	\$54,413	\$63,271	\$63,343	\$63,637	\$60,767	\$66,538	\$65,235	\$60,322	\$63,555	\$56,390	\$801,599	
Total Mgr Controllable Exp	\$21,522	\$22,303	\$21,158	\$19,204	\$21,979	\$22,003	\$22,106	\$21,109	\$23,113	\$22,661	\$20,954	\$22,077	\$19,588	\$279,777	
Total Other Oper Expenses	\$3,911	\$4,053	\$3,845	\$3,490	\$4,163	\$4,167	\$4,187	\$3,998	\$4,378	\$4,292	\$3,969	\$4,181	\$3,710	\$52,341	
Occupancy Expenses	\$8,064	\$8,357	\$7,928	\$7,196	\$11,524	\$12,162	\$13,462	\$10,893	\$12,086	\$11,826	\$11,570	\$11,858	\$10,521	\$137,446	
Total Restaurant Operating Expense	\$94,477	\$97,907	\$92,881	\$84,302	\$100,937	\$101,676	\$103,391	\$96,767	\$106,115	\$104,014	\$96,815	\$101,672	\$90,209	\$1,271,164	
Total Oper Income (loss)	\$15,727	\$16,298	\$15,461	\$14,033	\$15,100	\$14,493	\$13,316	\$14,677	\$15,912	\$15,624	\$13,813	\$14,885	\$13,207	\$192,546	
Administrative Expenses															
Corporate Office & Admin Expense Allocation	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$84,615	
Other G&A Expenses	\$1,301	\$1,301	\$1,301	\$1,301	\$1,301	\$1,301	\$1,301	\$1,301	\$1,301	\$1,301	\$1,301	\$709	\$709	\$15,729	
Total G&A	\$7,810	\$7,810	\$7,810	\$7,810	\$7,810	\$7,810	\$7,810	\$7,810	\$7,810	\$7,810	\$7,810	\$7,218	\$7,218	\$100,344	
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
EBITDA (with rent add back)	\$7,917	\$8,488	\$7,651	\$6,223	\$7,290	\$6,683	\$5,507	\$6,867	\$8,103	\$7,814	\$6,003	\$7,668	\$5,989	\$92,202	
	4.96%	5.13%	4.87%	4.37%	4.33%	3.97%	3.26%	4.25%	4.58%	4.51%	3.74%	4.54%	4.00%		
US Trustee Fee	\$0	\$0	\$0	\$1,000	\$0	\$0	\$0	\$1,000	\$0	\$0	\$0	\$0	\$0	\$2,000	
Debt Service	\$6,480	\$6,480	\$6,480	\$6,480	\$6,480	\$6,480	\$6,480	\$6,480	\$6,480	\$6,480	\$6,480	\$6,480	\$0	\$77,758	
Tax Payment on past due taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Debt Service Corporate	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$0	\$4,204	
Net Cash Flow	\$1,086	\$1,658	\$821	(\$1,607)	\$460	(\$148)	(\$1,324)	(\$963)	\$1,272	\$984	(\$827)	\$837	\$5,989	\$8,239	
Capital Reserve Loan	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$0	\$18,000	
Net Cash Flow after Reserve	(\$414)	\$158	(\$679)	(\$3,107)	(\$1,040)	(\$1,648)	(\$2,824)	(\$2,463)	(\$228)	(\$516)	(\$2,327)	(\$663)	\$5,989	(\$9,761)	
SSS Growth	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%		
COGS	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	
Labor	38.56%	38.56%	38.56%	38.56%	38.00%	38.00%	38.00%	38.00%	38.00%	38.00%	38.00%	38.00%	38.00%	37.79%	
Labor Savings															
Mgr Controllables	13.61%	13.61%	13.61%	13.61%	13.20%	13.20%	13.20%	13.20%	13.20%	13.20%	13.20%	13.20%	13.20%	13.19%	
Total Other Exp	2.47%	2.47%	2.47%	2.47%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.47%	
Occupancy	5.05%	5.05%	5.05%	5.05%	6.85%	7.22%	7.96%	6.74%	6.83%	6.82%	7.22%	7.02%	7.02%	6.48%	
Corporate Overhead	6.509	6.509	6.509	6.509	6.509	6.509	6.509	6.509	6.509	6.509	6.509	6.509	6.509	6.509	
Annual Total Corporate Overhead															
Other G&A Expenses	1,301	1,301	1,301	1,301	1,301	1,301	1,301	1,301	1,301	1,301	1,301	709	709		
Expenses in Dollars at 0% SSS Growth															
Labor	\$60,980	\$63,195	\$59,950	\$54,413	\$63,271	\$63,343	\$63,637	\$60,767	\$66,538	\$65,235	\$60,322	\$63,555	\$56,390		
Mgr Controllables	\$21,522	\$22,303	\$21,158	\$19,204	\$21,979	\$22,003	\$22,106	\$21,109	\$23,113	\$22,661	\$20,954	\$22,077	\$19,588		
Total Other Exp	\$3,911	\$4,053	\$3,845	\$3,490	\$4,163	\$4,167	\$4,187	\$3,998	\$4,378	\$4,292	\$3,969	\$4,181	\$3,710		
Occupancy	\$7,984	\$8,274	\$7,849	\$7,124	\$11,410	\$12,041	\$13,328	\$10,785	\$11,967	\$11,709	\$11,455	\$11,741	\$10,417		
Debt Service															
Prior Year Sales	158,134	163,876	155,463	141,103	166,504	166,693	167,467	159,913	175,101	171,672	158,743	167,251	148,395		
Average Last 4 Pds COGS				31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%		
Average Last 4 Pds Labor				38.56%	38.42%	38.28%	38.14%	38.00%	38.00%	38.00%	38.00%	38.00%	38.00%		
Average Last 4 Pds Total Mgr Average Last 4 Pds Controllable Exp				13.61%	13.51%	13.40%	13.30%	13.20%	13.20%	13.20%	13.20%	13.20%	13.20%		
Avg last 4 pds Total Other Oper Expenses				2.47%	2.48%	2.49%	2.49%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%		
Average Last 4 Pds Occupancy Expenses				5.05%	5.50%	6.04%	6.77%	7.19%	7.19%	7.09%	6.90%	6.97%	7.02%		

Yr Over Yr	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
	Pd 10 2010	Pd 11 2010	Pd 12 2010	Pd 13 2010	Pd 1 2011	Pd 2 2011	Pd 3 2011	Pd 4 2011	Pd 5 2011	Pd 6 2011	Pd 7 2011	Pd 8 2011	Pd 9 2011	FYE 9-30-11
	7 Medford	7 Medford	7 Medford	7 Medford	7 Medford	7 Medford	7 Medford	7 Medford	7 Medford	7 Medford	7 Medford	7 Medford	7 Medford	7 Medford
Sales	\$193,780	\$203,177	\$192,920	\$182,125	\$173,478	\$189,541	\$189,367	\$180,725	\$199,226	\$202,614	\$214,412	\$208,702	\$199,424	\$2,529,490
COGS	\$61,041	\$64,001	\$60,770	\$57,369	\$54,646	\$59,705	\$59,651	\$56,928	\$62,756	\$63,823	\$67,540	\$65,741	\$62,819	\$796,789
Gross Profit	\$132,739	\$139,176	\$132,150	\$124,756	\$118,832	\$129,836	\$129,716	\$123,797	\$136,470	\$138,791	\$146,872	\$142,961	\$136,606	\$1,732,701
Labor	\$71,838	\$75,322	\$71,519	\$67,517	\$64,410	\$70,374	\$70,309	\$67,101	\$73,970	\$75,228	\$79,608	\$77,488	\$74,044	\$938,729
Total Mgr Controllable Exp	\$22,291	\$23,372	\$22,192	\$20,950	\$23,188	\$25,335	\$25,311	\$24,156	\$26,629	\$27,082	\$28,659	\$27,896	\$26,656	\$323,716
Total Other Oper Expenses	\$4,580	\$4,802	\$4,560	\$4,305	\$6,012	\$6,568	\$6,562	\$6,263	\$6,904	\$7,021	\$7,430	\$7,232	\$6,911	\$79,149
Occupancy Expenses	\$1,313	\$1,377	\$1,307	\$1,234	\$1,528	\$1,670	\$1,668	\$1,577	\$1,738	\$1,768	\$1,870	\$1,857	\$1,775	\$20,683
Total Restaurant Operating Expense	\$100,022	\$104,872	\$99,578	\$94,006	\$95,138	\$103,947	\$103,852	\$99,097	\$109,241	\$111,099	\$117,568	\$114,474	\$109,385	\$1,362,278
Total Oper Income (loss)	\$32,717	\$34,304	\$32,572	\$30,749	\$23,694	\$25,889	\$25,865	\$24,700	\$27,229	\$27,692	\$29,304	\$28,487	\$27,221	\$370,423
Administrative Expenses														
Corporate Office & Admin Expense Allocation	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$84,615
Other G&A Expenses	\$2,572	\$2,572	\$2,572	\$2,572	\$2,572	\$2,572	\$2,572	\$2,572	\$2,572	\$2,572	\$2,572	\$1,980	\$1,980	\$32,252
Total G&A	\$9,081	\$9,081	\$9,081	\$9,081	\$9,081	\$9,081	\$9,081	\$9,081	\$9,081	\$9,081	\$9,081	\$8,489	\$8,489	\$116,867
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
EBITDA (with rent add back)	\$23,636	\$25,223	\$23,491	\$21,669	\$14,614	\$16,808	\$16,784	\$15,619	\$18,148	\$18,611	\$20,223	\$19,998	\$18,732	\$253,555
	12.20%	12.41%	12.18%	11.90%	8.42%	8.87%	8.86%	8.64%	9.11%	9.19%	9.43%	9.58%	9.39%	
US Trustee Fee	\$0	\$0	\$0	\$1,000	\$0	\$0	\$0	\$1,000	\$0	\$0	\$0	\$0	\$0	\$2,000
Debt Service	\$14,966	\$14,966	\$14,966	\$14,966	\$14,966	\$14,966	\$14,966	\$14,966	\$14,966	\$14,966	\$14,966	\$14,966	\$0	\$179,590
Tax Payment on past due taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Debt Service Corporate	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$0	\$4,204
Net Cash Flow	\$8,320	\$9,907	\$8,175	\$5,352	(\$703)	\$1,491	\$1,468	(\$697)	\$2,832	\$3,295	\$4,907	\$4,682	\$18,732	\$67,761
Capital Reserve Loan	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$0	\$18,000
Net Cash Flow after Reserve	\$6,820	\$8,407	\$6,675	\$3,852	(\$2,203)	(\$99)	(\$32)	(\$2,197)	\$1,332	\$1,795	\$3,407	\$3,182	\$18,732	\$49,761
SSS Growth	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	
COGS	31.50%	31.50%	31.50%	31.50%	31.50%	31.50%	31.50%	31.50%	31.50%	31.50%	31.50%	31.50%	31.50%	31.50%
Labor	37.44%	37.44%	37.44%	37.44%	37.50%	37.50%	37.50%	37.50%	37.50%	37.50%	37.50%	37.50%	37.50%	37.11%
Labor Savings														
Mgr Controllables	11.62%	11.62%	11.62%	11.62%	13.50%	13.50%	13.50%	13.50%	13.50%	13.50%	13.50%	13.50%	13.50%	12.80%
Total Other Exp	2.39%	2.39%	2.39%	2.39%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.13%
Occupancy	0.68%	0.68%	0.68%	0.68%	0.89%	0.89%	0.89%	0.88%	0.88%	0.88%	0.88%	0.90%	0.90%	0.82%
Corporate Overhead	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	
Annual Total Corporate Overhead														
Other G&A Expenses	2,572	2,572	2,572	2,572	2,572	2,572	2,572	2,572	2,572	2,572	2,572	1,980	1,980	
Expenses in Dollars at 0% SSS Growth														
Labor	\$71,838	\$75,322	\$71,519	\$67,517	\$64,410	\$70,374	\$70,309	\$67,101	\$73,970	\$75,228	\$79,608	\$77,488	\$74,044	
Mgr Controllables	\$22,291	\$23,372	\$22,192	\$20,950	\$23,188	\$25,335	\$25,311	\$24,156	\$26,629	\$27,082	\$28,659	\$27,896	\$26,656	
Total Other Exp	\$4,580	\$4,802	\$4,560	\$4,305	\$6,012	\$6,568	\$6,562	\$6,263	\$6,904	\$7,021	\$7,430	\$7,232	\$6,911	
Occupancy	\$1,313	\$1,377	\$1,307	\$1,234	\$1,528	\$1,670	\$1,668	\$1,577	\$1,738	\$1,768	\$1,870	\$1,857	\$1,775	
Debt Service														
Prior Year Sales	191,861	201,165	191,010	180,322	171,760	187,665	187,492	178,936	197,253	200,608	212,289	206,636	197,450	
Average Last 4 Pds COGS				31.50%	31.50%	31.50%	31.50%	31.50%	31.50%	31.50%	31.50%	31.50%	31.50%	
Average Last 4 Pds Labor				37.44%	37.46%	37.47%	37.49%	37.50%	37.50%	37.50%	37.50%	37.50%	37.50%	
Average Last 4 Pds Total Mgr Average Last 4 Pds Controllable Exp				11.62%	12.09%	12.56%	13.03%	13.50%	13.50%	13.50%	13.50%	13.50%	13.50%	
Avg last 4 pds Total Other Oper Expenses				2.39%	2.67%	2.94%	3.22%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	
Average Last 4 Pds Occupancy Expenses				0.68%	0.74%	0.79%	0.84%	0.89%	0.89%	0.88%	0.88%	0.89%	0.89%	

Yr Over Yr	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
	Pd 10 2010	Pd 11 2010	Pd 12 2010	Pd 13 2010	Pd 1 2011	Pd 2 2011	Pd 3 2011	Pd 4 2011	Pd 5 2011	Pd 6 2011	Pd 7 2011	Pd 8 2011	Pd 9 2011	FYE 9-30-11
	8 Boise	8 Boise	8 Boise	8 Boise	8 Boise	8 Boise	8 Boise	8 Boise	8 Boise	8 Boise	8 Boise	8 Boise	8 Boise	8 Boise
Sales	\$136,397	\$155,381	\$154,678	\$161,552	\$170,354	\$187,247	\$181,029	\$169,638	\$172,442	\$167,342	\$158,510	\$166,012	\$160,138	\$2,140,721
COGS	\$46,375	\$52,830	\$52,591	\$54,928	\$57,920	\$63,664	\$61,550	\$57,677	\$58,630	\$56,896	\$53,893	\$56,444	\$54,447	\$727,845
<b>Gross Profit</b>	<b>\$90,022</b>	<b>\$102,552</b>	<b>\$102,088</b>	<b>\$106,625</b>	<b>\$112,433</b>	<b>\$123,583</b>	<b>\$119,479</b>	<b>\$111,961</b>	<b>\$113,812</b>	<b>\$110,446</b>	<b>\$104,616</b>	<b>\$109,568</b>	<b>\$105,691</b>	<b>\$1,412,876</b>
Labor	\$43,449	\$49,497	\$49,273	\$51,463	\$53,130	\$58,399	\$56,459	\$52,907	\$53,782	\$52,191	\$49,436	\$51,776	\$49,944	\$671,705
Total Mgr Controllable Exp	\$19,481	\$22,192	\$22,092	\$23,074	\$24,457	\$26,882	\$25,989	\$24,354	\$24,757	\$24,024	\$22,756	\$23,833	\$22,990	\$306,882
Total Other Oper Expenses	\$3,631	\$4,136	\$4,117	\$4,300	\$6,747	\$7,416	\$7,169	\$6,718	\$6,829	\$6,627	\$6,278	\$6,575	\$6,342	\$76,885
Occupancy Expenses	\$15,686	\$17,869	\$17,788	\$18,579	\$18,580	\$20,423	\$18,717	\$17,540	\$17,831	\$17,304	\$16,392	\$17,102	\$16,777	\$230,588
Total Restaurant Operating Expense	\$82,247	\$93,694	\$93,270	\$97,415	\$102,913	\$113,120	\$108,335	\$101,519	\$103,198	\$100,147	\$94,862	\$99,286	\$96,053	\$1,286,060
Total Oper Income (loss)	\$7,775	\$8,857	\$8,817	\$9,209	\$9,520	\$10,463	\$11,144	\$10,442	\$10,614	\$10,299	\$9,754	\$10,282	\$9,638	\$126,815
Administrative Expenses														
Corporate Office & Admin Expense Allocation	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$84,615
Other G&A Expenses	\$1,393	\$1,393	\$1,393	\$1,393	\$1,393	\$1,393	\$1,393	\$1,393	\$1,393	\$1,393	\$1,393	\$801	\$801	\$16,925
<b>Total G&amp;A</b>	<b>\$7,902</b>	<b>\$7,902</b>	<b>\$7,902</b>	<b>\$7,902</b>	<b>\$7,902</b>	<b>\$7,902</b>	<b>\$7,902</b>	<b>\$7,902</b>	<b>\$7,902</b>	<b>\$7,902</b>	<b>\$7,902</b>	<b>\$7,310</b>	<b>\$7,310</b>	<b>\$101,540</b>
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
EBITDA (with rent add back)	<b>(\$127)</b>	<b>\$956</b>	<b>\$915</b>	<b>\$1,307</b>	<b>\$1,618</b>	<b>\$2,561</b>	<b>\$3,242</b>	<b>\$2,540</b>	<b>\$2,712</b>	<b>\$2,397</b>	<b>\$1,853</b>	<b>\$2,972</b>	<b>\$2,328</b>	<b>\$25,275</b>
	-0.09%	0.61%	0.59%	0.81%	0.95%	1.37%	1.79%	1.50%	1.57%	1.43%	1.17%	1.79%	1.45%	
US Trustee Fee	\$0	\$0	\$0	\$1,000	\$0	\$0	\$0	\$1,000	\$0	\$0	\$0	\$0	\$0	\$2,000
Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Tax Payment on past due taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Debt Service Corporate	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$4,204
Net Cash Flow	<b>(\$477)</b>	<b>\$605</b>	<b>\$565</b>	<b>(\$43)</b>	<b>\$1,268</b>	<b>\$2,211</b>	<b>\$2,892</b>	<b>\$1,190</b>	<b>\$2,361</b>	<b>\$2,047</b>	<b>\$1,502</b>	<b>\$2,621</b>	<b>\$2,328</b>	<b>\$19,071</b>
Capital Reserve Loan	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$0	\$18,000
Net Cash Flow after Reserve	<b>(\$1,977)</b>	<b>(\$895)</b>	<b>(\$935)</b>	<b>(\$1,543)</b>	<b>(\$232)</b>	<b>\$711</b>	<b>\$1,392</b>	<b>(\$310)</b>	<b>\$861</b>	<b>\$547</b>	<b>\$2</b>	<b>\$1,121</b>	<b>\$2,328</b>	<b>\$1,071</b>
SSS Growth	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	
COGS	34.00%	34.00%	34.00%	34.00%	34.00%	34.00%	34.00%	34.00%	34.00%	34.00%	34.00%	34.00%	34.00%	34.00%
Labor	32.17%	32.17%	32.17%	32.17%	31.50%	31.50%	31.50%	31.50%	31.50%	31.50%	31.50%	31.50%	31.50%	31.38%
Labor Savings														
Mgr Controllables	14.43%	14.43%	14.43%	14.43%	14.50%	14.50%	14.50%	14.50%	14.50%	14.50%	14.50%	14.50%	14.50%	14.34%
Total Other Exp	2.69%	2.69%	2.69%	2.69%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	3.59%
Occupancy	11.50%	11.50%	11.50%	11.50%	10.91%	10.91%	10.34%	10.34%	10.34%	10.34%	10.34%	10.30%	10.48%	10.77%
Corporate Overhead	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	
Annual Total Corporate Overhead														
Other G&A Expenses	1,393	1,393	1,393	1,393	1,393	1,393	1,393	1,393	1,393	1,393	1,393	801	801	
Expenses in Dollars at 0% SSS Growth														
Labor	\$43,449	\$49,497	\$49,273	\$51,463	\$53,130	\$58,399	\$56,459	\$52,907	\$53,782	\$52,191	\$49,436	\$51,776	\$49,944	
Mgr Controllables	\$19,481	\$22,192	\$22,092	\$23,074	\$24,457	\$26,882	\$25,989	\$24,354	\$24,757	\$24,024	\$22,756	\$23,833	\$22,990	
Total Other Exp	\$3,631	\$4,136	\$4,117	\$4,300	\$6,747	\$7,416	\$7,169	\$6,718	\$6,829	\$6,627	\$6,278	\$6,575	\$6,342	
Occupancy	\$15,531	\$17,692	\$17,612	\$18,395	\$18,396	\$20,221	\$18,531	\$17,366	\$17,654	\$17,133	\$16,229	\$16,933	\$16,611	
Debt Service														
Prior Year Sales	135,047	153,843	153,147	159,953	168,667	185,393	179,236	167,959	170,735	165,685	156,940	164,369	158,553	
Average Last 4 Pds COGS				34.00%	34.00%	34.00%	34.00%	34.00%	34.00%	34.00%	34.00%	34.00%	34.00%	
Average Last 4 Pds Labor				32.17%	32.01%	31.84%	31.67%	31.50%	31.50%	31.50%	31.50%	31.50%	31.50%	
Average Last 4 Pds Total Mgr Average Last 4 Pds Controllable Exp				14.43%	14.44%	14.46%	14.48%	14.50%	14.50%	14.50%	14.50%	14.50%	14.50%	
Avg last 4 pds Total Other Oper Expenses				2.69%	3.02%	3.34%	3.67%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	
Average Last 4 Pds Occupancy Expenses				11.50%	11.35%	11.20%	10.91%	10.62%	10.48%	10.34%	10.34%	10.33%	10.37%	

Yr Over Yr	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	
	Pd 10 2010	Pd 11 2010	Pd 12 2010	Pd 13 2010	Pd 1 2011	Pd 2 2011	Pd 3 2011	Pd 4 2011	Pd 5 2011	Pd 6 2011	Pd 7 2011	Pd 8 2011	Pd 9 2011	FYE 9-30-11	
	9 Vancouver	9 Vancouver	9 Vancouver	9 Vancouver	9 Vancouver	9 Vancouver	9 Vancouver	9 Vancouver	9 Vancouver	9 Vancouver	9 Vancouver	9 Vancouver	9 Vancouver	9 Vancouver	
Sales	\$219,695	\$227,053	\$220,821	\$219,801	\$238,322	\$244,952	\$231,600	\$221,122	\$234,724	\$213,434	\$234,656	\$232,592	\$228,070	\$296,843	
COGS	\$68,106	\$70,386	\$68,455	\$68,138	\$73,880	\$75,935	\$71,796	\$68,548	\$72,764	\$66,165	\$72,743	\$72,104	\$70,702	\$919,721	
Gross Profit	\$151,590	\$156,666	\$152,367	\$151,663	\$164,442	\$169,017	\$159,804	\$152,574	\$161,960	\$147,270	\$161,912	\$160,489	\$157,369	\$2,047,121	
Labor	\$77,682	\$80,283	\$78,080	\$77,719	\$83,767	\$86,097	\$81,404	\$77,721	\$82,502	\$75,019	\$82,478	\$81,753	\$80,163	\$1,044,667	
Total Mgr Controllable Exp	\$26,851	\$27,751	\$26,989	\$26,864	\$30,203	\$31,043	\$29,351	\$28,023	\$29,747	\$27,049	\$29,739	\$29,477	\$28,904	\$371,992	
Total Other Oper Expenses	\$5,559	\$5,746	\$5,588	\$5,562	\$9,439	\$9,701	\$9,172	\$8,757	\$9,296	\$8,453	\$9,293	\$9,212	\$9,032	\$104,811	
Occupancy Expenses	\$2,916	\$3,013	\$2,931	\$2,917	\$3,155	\$3,336	\$3,169	\$2,792	\$3,099	\$2,845	\$3,269	\$3,190	\$3,128	\$39,760	
Total Restaurant Operating Expenses	\$113,008	\$116,793	\$113,587	\$113,063	\$126,564	\$130,177	\$123,097	\$117,294	\$124,644	\$113,366	\$124,779	\$123,631	\$121,228	\$1,561,230	
Total Oper Income (loss)	\$38,582	\$39,874	\$38,779	\$38,600	\$37,879	\$38,840	\$36,707	\$35,281	\$37,315	\$33,904	\$37,134	\$36,857	\$36,141	\$485,891	
Administrative Expenses															
Corporate Office & Admin Expense Allocation	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$84,615	
Other G&A Expenses	\$1,537	\$1,537	\$1,537	\$1,537	\$1,537	\$1,537	\$1,537	\$1,537	\$1,537	\$1,537	\$1,537	\$945	\$945	\$18,797	
Total G&A	\$8,046	\$8,046	\$8,046	\$8,046	\$8,046	\$8,046	\$8,046	\$8,046	\$8,046	\$8,046	\$8,046	\$7,454	\$7,454	\$103,412	
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
EBITDA (with rent add back)	\$30,536	\$31,828	\$30,733	\$30,554	\$29,833	\$30,794	\$28,661	\$27,235	\$29,270	\$25,858	\$29,088	\$29,403	\$28,687	\$382,479	
	13.90%	14.02%	13.92%	13.90%	12.52%	12.57%	12.38%	12.32%	12.47%	12.12%	12.40%	12.64%	12.58%		
US Trustee Fee	\$0	\$0	\$0	\$1,000	\$0	\$0	\$0	\$1,000	\$0	\$0	\$0	\$0	\$0	\$2,000	
Debt Service	\$21,176	\$21,176	\$21,176	\$21,176	\$21,176	\$21,176	\$21,176	\$21,176	\$21,176	\$21,176	\$21,176	\$21,176	\$0	\$254,112	
Tax Payment on past due taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Debt Service Corporate	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$4,204	
Net Cash Flow	\$9,009	\$10,301	\$9,207	\$8,028	\$8,306	\$9,268	\$7,135	\$4,708	\$7,743	\$4,331	\$7,562	\$7,877	\$28,687	\$122,163	
Capital Reserve Loan	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$0	\$18,000	
Net Cash Flow after Reserve	\$7,509	\$8,801	\$7,707	\$6,528	\$6,806	\$7,768	\$5,635	\$3,208	\$6,243	\$2,831	\$6,062	\$6,377	\$28,687	\$104,163	
SSS Growth	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%		
COGS	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	
Labor	35.71%	35.71%	35.71%	35.71%	35.50%	35.50%	35.50%	35.50%	35.50%	35.50%	35.50%	35.50%	35.50%	35.21%	
Labor Savings															
Mgr Controllables	12.34%	12.34%	12.34%	12.34%	12.80%	12.80%	12.80%	12.80%	12.80%	12.80%	12.80%	12.80%	12.80%	12.54%	
Total Other Exp	2.56%	2.56%	2.56%	2.56%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	3.53%	
Occupancy	1.34%	1.34%	1.34%	1.34%	1.34%	1.38%	1.38%	1.28%	1.33%	1.35%	1.41%	1.39%	1.39%	1.34%	
Corporate Overhead	6.509	6.509	6.509	6.509	6.509	6.509	6.509	6.509	6.509	6.509	6.509	6.509	6.509		
Annual Total Corporate Overhead															
Other G&A Expenses	1,537	1,537	1,537	1,537	1,537	1,537	1,537	1,537	1,537	1,537	1,537	945	945		
Expenses in Dollars at 0% SSS Growth															
Labor	\$77,682	\$80,283	\$78,080	\$77,719	\$83,767	\$86,097	\$81,404	\$77,721	\$82,502	\$75,019	\$82,478	\$81,753	\$80,163		
Mgr Controllables	\$26,851	\$27,751	\$26,989	\$26,864	\$30,203	\$31,043	\$29,351	\$28,023	\$29,747	\$27,049	\$29,739	\$29,477	\$28,904		
Total Other Exp	\$5,559	\$5,746	\$5,588	\$5,562	\$9,439	\$9,701	\$9,172	\$8,757	\$9,296	\$8,453	\$9,293	\$9,212	\$9,032		
Occupancy	\$2,916	\$3,013	\$2,931	\$2,917	\$3,155	\$3,336	\$3,169	\$2,792	\$3,099	\$2,845	\$3,269	\$3,190	\$3,128		
Debt Service															
Prior Year Sales	217,520	224,805	218,635	217,625	235,963	242,526	229,307	218,933	232,400	211,321	232,332	230,289	225,812		
Average Last 4 Pds COGS				31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%		
Average Last 4 Pds Labor				35.71%	35.66%	35.61%	35.55%	35.50%	35.50%	35.50%	35.50%	35.50%	35.50%		
Average Last 4 Pds Total Mgr Average Last 4 Pds Controllable Exp				12.34%	12.46%	12.57%	12.69%	12.80%	12.80%	12.80%	12.80%	12.80%	12.80%		
Avg last 4 pds Total Other Oper Expenses				2.56%	2.92%	3.28%	3.64%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%		
Average Last 4 Pds Occupancy Expenses				1.34%	1.34%	1.35%	1.36%	1.34%	1.34%	1.33%	1.34%	1.37%	1.38%		

Yr Over Yr	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	
	Pd 10 2010	Pd 11 2010	Pd 12 2010	Pd 13 2010	Pd 1 2011	Pd 2 2011	Pd 3 2011	Pd 4 2011	Pd 5 2011	Pd 6 2011	Pd 7 2011	Pd 8 2011	Pd 9 2011	FYE 9-30-11	
	11 Sandy	11 Sandy	11 Sandy	11 Sandy	11 Sandy	11 Sandy	11 Sandy	11 Sandy	11 Sandy	11 Sandy	11 Sandy	11 Sandy	11 Sandy	11 Sandy	
Sales	\$119,662	\$132,516	\$129,796	\$129,846	\$150,976	\$165,245	\$163,620	\$144,305	\$145,849	\$143,185	\$145,597	\$137,503	\$131,996	\$1,840,097	
COGS	\$39,489	\$43,730	\$42,833	\$42,849	\$49,822	\$54,531	\$53,995	\$47,621	\$48,130	\$47,251	\$48,047	\$45,376	\$43,559	\$607,232	
Gross Profit	\$80,174	\$88,786	\$86,964	\$86,997	\$101,154	\$110,714	\$109,625	\$96,684	\$97,719	\$95,934	\$97,550	\$92,127	\$88,438	\$1,232,865	
Labor	\$35,575	\$39,892	\$38,978	\$38,995	\$41,724	\$46,103	\$45,605	\$39,676	\$40,150	\$39,333	\$40,073	\$37,589	\$35,898	\$519,591	
Total Mgr Controllable Exp	\$18,879	\$20,907	\$20,478	\$20,485	\$19,881	\$21,760	\$21,546	\$19,003	\$19,206	\$18,855	\$19,173	\$18,107	\$17,382	\$255,660	
Total Other Oper Expenses	\$3,382	\$3,746	\$3,669	\$3,670	\$5,232	\$5,726	\$5,670	\$5,001	\$5,054	\$4,962	\$5,045	\$4,765	\$4,574	\$60,497	
Occupancy Expenses	\$12,286	\$13,605	\$13,326	\$13,331	\$13,252	\$14,505	\$14,364	\$12,927	\$12,789	\$12,322	\$13,004	\$10,832	\$10,399	\$166,942	
Total Restaurant Operating Expense	\$70,121	\$78,149	\$76,451	\$76,482	\$80,088	\$88,095	\$87,184	\$76,607	\$77,199	\$75,472	\$77,295	\$71,292	\$68,253	\$1,002,689	
Total Oper Income (loss)	\$10,052	\$10,636	\$10,513	\$10,515	\$21,065	\$22,619	\$22,441	\$20,078	\$20,520	\$20,462	\$20,255	\$20,835	\$20,185	\$230,176	
Administrative Expenses															
Corporate Office & Admin Expense Allocation	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$84,615	
Other G&A Expenses	\$1,409	\$1,409	\$1,409	\$1,409	\$1,409	\$1,409	\$1,409	\$1,409	\$1,409	\$1,409	\$1,409	\$817	\$817	\$17,133	
Total G&A	\$7,918	\$7,918	\$7,918	\$7,918	\$7,918	\$7,918	\$7,918	\$7,918	\$7,918	\$7,918	\$7,918	\$7,326	\$7,326	\$101,748	
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
EBITDA (with rent add back)	\$2,134	\$2,718	\$2,595	\$2,597	\$13,148	\$14,701	\$14,523	\$12,160	\$12,602	\$12,544	\$12,337	\$13,509	\$12,859	\$128,428	
	1.78%	2.05%	2.00%	2.00%	8.71%	8.90%	8.88%	8.43%	8.64%	8.76%	8.47%	9.82%	9.74%		
US Trustee Fee	\$0	\$0	\$0	\$1,000	\$0	\$0	\$0	\$1,000	\$0	\$0	\$0	\$0	\$0	\$2,000	
Debt Service	\$8,281	\$8,281	\$8,281	\$8,281	\$8,281	\$8,281	\$8,281	\$8,281	\$8,281	\$8,281	\$8,281	\$8,281	\$0	\$99,375	
Tax Payment on past due taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Debt Service Corporate	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$0	\$4,204	
Net Cash Flow	(\$6,497)	(\$5,913)	(\$6,037)	(\$7,034)	\$4,516	\$6,070	\$5,892	\$2,528	\$3,970	\$3,913	\$3,705	\$4,877	\$12,859	\$22,848	
Capital Reserve Loan	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$0	\$18,000	
Net Cash Flow after Reserve	(\$7,997)	(\$7,413)	(\$7,537)	(\$8,534)	\$3,016	\$4,570	\$4,392	\$1,028	\$2,470	\$2,413	\$2,205	\$3,377	\$12,859	\$4,848	
SSS Growth	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%		
COGS	33.00%	33.00%	33.00%	33.00%	33.00%	33.00%	33.00%	33.00%	33.00%	33.00%	33.00%	33.00%	33.00%	33.00%	
Labor	33.92%	33.92%	33.92%	33.92%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	28.24%	
Labor Savings	4.615	4.615	4.615	4.615	4.615	4.615	4.615	4.615	4.615	4.615	4.615	4.615	4.615		
Mgr Controllables	15.93%	15.93%	15.93%	15.93%	13.30%	13.30%	13.30%	13.30%	13.30%	13.30%	13.30%	13.30%	13.30%	13.89%	
Total Other Exp	2.85%	2.85%	2.85%	2.85%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.29%	
Occupancy	10.27%	10.27%	10.27%	10.27%	8.78%	8.78%	8.78%	8.96%	8.77%	8.61%	8.93%	7.88%	7.88%	9.07%	
Corporate Overhead	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509		
Annual Total Corporate Overhead															
Other G&A Expenses	1,409	1,409	1,409	1,409	1,409	1,409	1,409	1,409	1,409	1,409	1,409	817	817		
Expenses in Dollars at 0% SSS Growth															
Labor	\$35,575	\$39,892	\$38,978	\$38,995	\$41,724	\$46,103	\$45,605	\$39,676	\$40,150	\$39,333	\$40,073	\$37,589	\$35,898		
Mgr Controllables	\$18,879	\$20,907	\$20,478	\$20,485	\$19,881	\$21,760	\$21,546	\$19,003	\$19,206	\$18,855	\$19,173	\$18,107	\$17,382		
Total Other Exp	\$3,382	\$3,746	\$3,669	\$3,670	\$5,232	\$5,726	\$5,670	\$5,001	\$5,054	\$4,962	\$5,045	\$4,765	\$4,574		
Occupancy	\$12,164	\$13,470	\$13,194	\$13,199	\$13,121	\$14,362	\$14,221	\$12,799	\$12,662	\$12,200	\$12,876	\$10,725	\$10,296		
Debt Service															
Prior Year Sales	118,478	131,204	128,511	128,560	149,481	163,609	162,000	142,876	144,405	141,768	144,156	136,142	130,690		
Average Last 4 Pds COGS				33.00%	33.00%	33.00%	33.00%	33.00%	33.00%	33.00%	33.00%	33.00%	33.00%		
Average Last 4 Pds Labor				33.92%	33.19%	32.46%	31.73%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%		
Average Last 4 Pds Total Mgr Average Last 4 Pds Controllable Exp				15.93%	15.28%	14.62%	13.96%	13.30%	13.30%	13.30%	13.30%	13.30%	13.30%		
Avg last 4 pds Total Other Oper Expenses				2.85%	3.02%	3.18%	3.34%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%		
Average Last 4 Pds Occupancy Expenses				10.27%	9.89%	9.52%	9.15%	8.82%	8.82%	8.78%	8.82%	8.55%	8.32%		

Yr Over Yr	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	
	Pd 10 2010	Pd 11 2010	Pd 12 2010	Pd 13 2010	Pd 1 2011	Pd 2 2011	Pd 3 2011	Pd 4 2011	Pd 5 2011	Pd 6 2011	Pd 7 2011	Pd 8 2011	Pd 9 2011	FYE 9-30-11	
	13 Layton	13 Layton	13 Layton	13 Layton	13 Layton	13 Layton	13 Layton	13 Layton	13 Layton	13 Layton	13 Layton	13 Layton	13 Layton	13 Layton	
Sales	\$98,571	\$111,688	\$106,771	\$102,858	\$124,164	\$128,037	\$123,167	\$108,946	\$122,050	\$123,102	\$121,083	\$111,939	\$109,243	\$1,491,618	
COGS	\$31,296	\$35,461	\$33,900	\$32,657	\$39,422	\$40,652	\$39,105	\$34,590	\$38,751	\$39,085	\$38,444	\$35,541	\$34,685	\$473,589	
Gross Profit	\$67,275	\$76,227	\$72,871	\$70,201	\$84,742	\$87,385	\$84,061	\$74,355	\$83,299	\$84,017	\$82,639	\$76,399	\$74,558	\$1,018,029	
Labor	\$33,788	\$38,284	\$36,599	\$35,257	\$41,798	\$43,102	\$41,462	\$36,675	\$41,086	\$41,440	\$40,761	\$37,683	\$36,775	\$504,709	
Total Mgr Controllable Exp	\$14,183	\$16,071	\$15,363	\$14,800	\$15,613	\$16,100	\$15,487	\$13,699	\$15,347	\$15,479	\$15,225	\$14,076	\$13,736	\$195,180	
Total Other Oper Expenses	\$2,875	\$3,257	\$3,114	\$3,000	\$3,872	\$3,993	\$3,841	\$3,398	\$3,807	\$3,839	\$3,776	\$3,491	\$3,407	\$45,670	
Occupancy Expenses	\$8,348	\$9,458	\$9,042	\$8,711	\$9,386	\$9,678	\$9,095	\$7,938	\$8,941	\$8,995	\$9,095	\$7,602	\$7,571	\$113,861	
Total Restaurant Operating Expense	\$59,193	\$67,071	\$64,118	\$61,768	\$70,669	\$72,873	\$69,886	\$61,710	\$69,181	\$69,754	\$68,858	\$62,852	\$61,489	\$859,420	
Total Oper Income (loss)	\$8,081	\$9,157	\$8,753	\$8,433	\$14,073	\$14,512	\$14,175	\$12,646	\$14,118	\$14,263	\$13,782	\$13,547	\$13,069	\$158,610	
Administrative Expenses															
Corporate Office & Admin Expense Allocation	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$84,615	
Other G&A Expenses	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$16,250	
Total G&A	\$7,759	\$7,759	\$7,759	\$7,759	\$7,759	\$7,759	\$7,759	\$7,759	\$7,759	\$7,759	\$7,759	\$7,759	\$7,759	\$100,865	
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
EBITDA (with rent add back)	\$322	\$1,398	\$995	\$674	\$6,315	\$6,754	\$6,416	\$4,887	\$6,359	\$6,505	\$6,023	\$5,788	\$5,310	\$57,744	
	0.33%	1.25%	0.93%	0.66%	5.09%	5.27%	5.21%	4.49%	5.21%	5.28%	4.97%	5.17%	4.86%		
US Trustee Fee	\$0	\$0	\$0	\$1,000	\$0	\$0	\$0	\$1,000	\$0	\$0	\$0	\$0	\$0	\$2,000	
Debt Service	\$0	\$0	\$0	\$7,726	\$7,726	\$7,726	\$7,726	\$7,726	\$7,726	\$7,726	\$7,726	\$7,726	\$7,726	\$69,538	
Tax Payment on past due taxes	\$0	\$0	\$0	\$0	\$791	\$1,620	\$1,620	\$1,620	\$1,620	\$1,620	\$1,620	\$1,620	\$1,620	\$12,131	
Debt Service Corporate	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$4,204	
Net Cash Flow	(\$28)	\$1,047	\$644	(\$8,403)	(\$2,553)	(\$2,943)	(\$3,280)	(\$5,810)	(\$3,338)	(\$3,192)	(\$3,674)	(\$3,909)	\$5,310	(\$30,129)	
Capital Reserve Loan	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$0	\$18,000	
Net Cash Flow after Reserve	(\$1,528)	(\$453)	(\$856)	(\$9,903)	(\$4,053)	(\$4,443)	(\$4,780)	(\$7,310)	(\$4,838)	(\$4,692)	(\$5,174)	(\$5,409)	\$5,310	(\$48,129)	
SSS Growth	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%		
COGS	31.75%	31.75%	31.75%	31.75%	31.75%	31.75%	31.75%	31.75%	31.75%	31.75%	31.75%	31.75%	31.75%	31.75%	
Labor	34.62%	34.62%	34.62%	34.62%	34.00%	34.00%	34.00%	34.00%	34.00%	34.00%	34.00%	34.00%	34.00%	33.84%	
Labor Savings															
Mgr Controllables	14.53%	14.53%	14.53%	14.53%	12.70%	12.70%	12.70%	12.70%	12.70%	12.70%	12.70%	12.70%	12.70%	13.09%	
Total Other Exp	2.95%	2.95%	2.95%	2.95%	3.15%	3.15%	3.15%	3.15%	3.15%	3.15%	3.15%	3.15%	3.15%	3.06%	
Occupancy	8.55%	8.55%	8.55%	8.55%	7.63%	7.63%	7.46%	7.36%	7.40%	7.38%	7.59%	6.86%	7.00%	7.63%	
Corporate Overhead	6.509	6.509	6.509	6.509	6.509	6.509	6.509	6.509	6.509	6.509	6.509	6.509	6.509		
Annual Total Corporate Overhead															
Other G&A Expenses	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250		
Expenses in Dollars at 0% SSS Growth															
Labor	\$33,788	\$38,284	\$36,599	\$35,257	\$41,798	\$43,102	\$41,462	\$36,675	\$41,086	\$41,440	\$40,761	\$37,683	\$36,775		
Mgr Controllables	\$14,183	\$16,071	\$15,363	\$14,800	\$15,613	\$16,100	\$15,487	\$13,699	\$15,347	\$15,479	\$15,225	\$14,076	\$13,736		
Total Other Exp	\$2,875	\$3,257	\$3,114	\$3,000	\$3,872	\$3,993	\$3,841	\$3,398	\$3,807	\$3,839	\$3,776	\$3,491	\$3,407		
Occupancy	\$8,348	\$9,458	\$9,042	\$8,711	\$9,386	\$9,678	\$9,095	\$7,938	\$8,941	\$8,995	\$9,095	\$7,602	\$7,571		
Debt Service	\$4,594	\$3,297	\$3,074	\$2,449	\$829	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
	\$1,298	\$222	\$625	\$1,620	\$1,620	\$1,620	\$1,620	\$1,620	\$1,620	\$1,620	\$1,620	\$1,620	\$1,620		
	\$3,297	\$3,074	\$2,449	\$829	(\$791)	(\$1,620)	(\$1,620)	(\$1,620)	(\$1,620)	(\$1,620)	(\$1,620)	(\$1,620)	(\$1,620)		
Prior Year Sales	97,595	110,583	105,713	101,840	122,935	126,769	121,947	107,867	120,841	121,883	119,884	110,831	108,161		
Average Last 4 Pds COGS				31.75%	31.75%	31.75%	31.75%	31.75%	31.75%	31.75%	31.75%	31.75%	31.75%		
Average Last 4 Pds Labor				34.62%	34.47%	34.31%	34.16%	34.00%	34.00%	34.00%	34.00%	34.00%	34.00%		
Average Last 4 Pds Total Mgr Average Last 4 Pds Controllable Exp				14.53%	14.07%	13.62%	13.16%	12.70%	12.70%	12.70%	12.70%	12.70%	12.70%		
Avg last 4 pds Total Other Oper Expenses				2.95%	3.00%	3.05%	3.10%	3.15%	3.15%	3.15%	3.15%	3.15%	3.15%		
Average Last 4 Pds Occupancy Expenses				8.55%	8.32%	8.09%	7.82%	7.52%	7.46%	7.40%	7.43%	7.31%	7.21%		
	33787.96639	38284.37619	36598.6596	35257.4806	41797.917	43101.5042	41462.014	36674.7426	41086.059	41440.339	40760.6382	37682.5944	36774.7128		
	14183.29929	16070.77381	15363.15434	14800.16269	15612.75135	16099.67951	15487.2817	13699.09503	15346.85145	15479.18545	15225.29721	14075.55732	13736.43684		
	2874.628081	3257.175693	3113.757525	2999.652084	3872.454075	3993.227595	3841.33365	3397.807035	3806.502525	3839.325525	3776.353245	3491.18154	3407.06898		
	8347.541153	9458.409011	9041.941549	8710.594384	9385.59829	9678.314929	9095.263097	7938.111635	8941.437608	8994.996798	9095.345198	7602.404594	7570.707748		

Yr Over Yr	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
	Pd 10 2010	Pd 11 2010	Pd 12 2010	Pd 13 2010	Pd 1 2011	Pd 2 2011	Pd 3 2011	Pd 4 2011	Pd 5 2011	Pd 6 2011	Pd 7 2011	Pd 8 2011	Pd 9 2011	FYE 9-30-11
	15 Beaverton	15 Beaverton	15 Beaverton	15 Beaverton	15 Beaverton	15 Beaverton	15 Beaverton	15 Beaverton	15 Beaverton	15 Beaverton	15 Beaverton	15 Beaverton	15 Beaverton	15 Beaverton
Sales	\$183,528	\$186,165	\$195,016	\$201,367	\$207,258	\$217,092	\$197,131	\$196,235	\$200,790	\$182,058	\$183,608	\$207,578	\$194,642	\$2,552,468
COGS	\$56,894	\$57,711	\$60,455	\$62,424	\$64,250	\$67,299	\$61,111	\$60,833	\$62,245	\$56,438	\$56,918	\$64,349	\$60,339	\$791,265
Gross Profit	\$126,635	\$128,454	\$134,561	\$138,943	\$143,008	\$149,794	\$136,020	\$135,402	\$138,545	\$125,620	\$126,689	\$143,229	\$134,303	\$1,761,203
Labor	\$67,544	\$68,514	\$71,771	\$74,109	\$74,900	\$78,454	\$71,240	\$70,917	\$72,563	\$65,793	\$66,353	\$75,016	\$70,341	\$927,515
Total Mgr Controllable Exp	\$20,555	\$20,850	\$21,842	\$22,553	\$23,599	\$24,718	\$22,446	\$22,344	\$22,862	\$20,729	\$20,906	\$23,635	\$22,162	\$289,202
Total Other Oper Expenses	\$4,325	\$4,388	\$4,596	\$4,746	\$6,156	\$6,448	\$5,855	\$5,829	\$5,964	\$5,408	\$5,454	\$6,166	\$5,781	\$71,116
Occupancy Expenses	\$9,235	\$9,368	\$9,813	\$10,133	\$12,249	\$12,248	\$10,771	\$10,417	\$10,179	\$10,115	\$11,069	\$11,658	\$10,932	\$138,187
Total Restaurant Operating Expense	\$101,659	\$103,120	\$108,023	\$111,541	\$116,904	\$121,868	\$110,312	\$109,506	\$111,568	\$102,045	\$103,782	\$116,475	\$109,216	\$1,426,019
Total Oper Income (loss)	\$24,975	\$25,334	\$26,538	\$27,403	\$26,104	\$27,925	\$25,708	\$25,896	\$26,977	\$23,575	\$22,907	\$26,754	\$25,086	\$335,184
Administrative Expenses														
Corporate Office & Admin Expense Allocation	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$84,615
Other G&A Expenses	\$1,643	\$1,643	\$1,643	\$1,643	\$1,643	\$1,643	\$1,643	\$1,643	\$1,643	\$1,643	\$1,643	\$1,051	\$1,051	\$20,175
Total G&A	\$8,152	\$8,152	\$8,152	\$8,152	\$8,152	\$8,152	\$8,152	\$8,152	\$8,152	\$8,152	\$8,152	\$7,560	\$7,560	\$104,790
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
EBITDA (with rent add back)	\$16,823	\$17,182	\$18,386	\$19,251	\$17,953	\$19,773	\$17,557	\$17,744	\$18,825	\$15,423	\$14,755	\$19,194	\$17,527	\$230,393
	9.17%	9.23%	9.43%	9.56%	8.66%	9.11%	8.91%	9.04%	9.38%	8.47%	8.04%	9.25%	9.00%	
US Trustee Fee	\$0	\$0	\$0	\$1,000	\$0	\$0	\$0	\$1,000	\$0	\$0	\$0	\$0	\$0	\$2,000
Debt Service	\$16,621	\$16,621	\$16,621	\$16,621	\$16,621	\$16,621	\$16,621	\$16,621	\$16,621	\$16,621	\$16,621	\$16,621	\$0	\$199,450
Tax Payment on past due taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Debt Service Corporate	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$0	\$4,204
Net Cash Flow	(\$148)	\$211	\$1,415	\$1,279	\$981	\$2,802	\$585	(\$227)	\$1,854	(\$1,548)	(\$2,216)	\$2,223	\$17,527	\$24,739
Capital Reserve Loan	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$0	\$18,000
Net Cash Flow after Reserve	(\$1,648)	(\$1,289)	(\$85)	(\$221)	(\$519)	\$1,302	(\$915)	(\$1,727)	\$354	(\$3,048)	(\$3,716)	\$723	\$17,527	\$6,739
SSS Growth	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	
COGS	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%
Labor	37.17%	37.17%	37.17%	37.17%	36.50%	36.50%	36.50%	36.50%	36.50%	36.50%	36.50%	36.50%	36.50%	36.34%
Labor Savings														
Mgr Controllables	11.31%	11.31%	11.31%	11.31%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.33%
Total Other Exp	2.38%	2.38%	2.38%	2.38%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	2.79%
Occupancy	5.08%	5.08%	5.08%	5.08%	5.97%	5.70%	5.52%	5.36%	5.12%	5.61%	6.09%	5.67%	5.67%	5.41%
Corporate Overhead	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	
Annual Total Corporate Overhead														
Other G&A Expenses	1,643	1,643	1,643	1,643	1,643	1,643	1,643	1,643	1,643	1,643	1,643	1,051	1,051	
Expenses in Dollars at 0% SSS Growth														
Labor	\$67,544	\$68,514	\$71,771	\$74,109	\$74,900	\$78,454	\$71,240	\$70,917	\$72,563	\$65,793	\$66,353	\$75,016	\$70,341	
Mgr Controllables	\$20,555	\$20,850	\$21,842	\$22,553	\$23,599	\$24,718	\$22,446	\$22,344	\$22,862	\$20,729	\$20,906	\$23,635	\$22,162	
Total Other Exp	\$4,325	\$4,388	\$4,596	\$4,746	\$6,156	\$6,448	\$5,855	\$5,829	\$5,964	\$5,408	\$5,454	\$6,166	\$5,781	
Occupancy	\$9,235	\$9,368	\$9,813	\$10,133	\$12,249	\$12,248	\$10,771	\$10,417	\$10,179	\$10,115	\$11,069	\$11,658	\$10,932	
Debt Service														
Prior Year Sales	181,711	184,321	193,085	199,373	205,206	214,943	195,179	194,292	198,802	180,256	181,790	205,523	192,715	
Average Last 4 Pds COGS				31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	
Average Last 4 Pds Labor				37.17%	37.00%	36.84%	36.67%	36.50%	36.50%	36.50%	36.50%	36.50%	36.50%	
Average Last 4 Pds Total Mgr Average Last 4 Pds Controllable Exp				11.31%	11.36%	11.41%	11.45%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	
Avg last 4 pds Total Other Oper Expenses				2.38%	2.54%	2.69%	2.85%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	
Average Last 4 Pds Occupancy Expenses				5.08%	5.30%	5.46%	5.57%	5.64%	5.42%	5.40%	5.55%	5.62%	5.76%	

Yr Over Yr	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
	Pd 10 2010	Pd 11 2010	Pd 12 2010	Pd 13 2010	Pd 1 2011	Pd 2 2011	Pd 3 2011	Pd 4 2011	Pd 5 2011	Pd 6 2011	Pd 7 2011	Pd 8 2011	Pd 9 2011	FYE 9-30-11
	21 Fed Way	21 Fed Way	21 Fed Way	21 Fed Way	21 Fed Way	21 Fed Way	21 Fed Way	21 Fed Way	21 Fed Way	21 Fed Way	21 Fed Way	21 Fed Way	21 Fed Way	21 Fed Way
Sales	\$166,407	\$166,948	\$169,712	\$168,295	\$177,686	\$189,503	\$181,385	\$167,193	\$172,126	\$164,853	\$171,626	\$199,670	\$183,469	\$2,278,873
COGS	\$53,250	\$53,423	\$54,308	\$53,854	\$56,859	\$60,641	\$58,043	\$53,502	\$55,080	\$52,753	\$54,920	\$63,894	\$58,710	\$729,239
Gross Profit	\$113,157	\$113,525	\$115,404	\$114,441	\$120,826	\$128,862	\$123,342	\$113,691	\$117,046	\$112,100	\$116,706	\$135,775	\$124,759	\$1,549,633
Labor	\$61,353	\$61,553	\$62,572	\$62,049	\$64,213	\$68,484	\$65,550	\$60,421	\$62,204	\$59,576	\$62,023	\$70,743	\$66,303	\$827,044
Total Mgr Controllable Exp	\$26,192	\$26,277	\$26,712	\$26,489	\$21,463	\$22,891	\$21,910	\$20,196	\$20,791	\$19,913	\$20,731	\$24,118	\$22,162	\$299,845
Total Other Oper Expenses	\$4,193	\$4,206	\$4,276	\$4,240	\$5,278	\$5,629	\$5,388	\$4,966	\$5,113	\$4,897	\$5,098	\$5,931	\$5,450	\$64,663
Occupancy Expenses	\$14,361	\$14,408	\$14,646	\$14,524	\$15,453	\$16,212	\$15,649	\$13,662	\$13,188	\$13,341	\$13,703	\$15,453	\$14,199	\$188,798
Total Restaurant Operating Expense	\$106,099	\$106,444	\$108,206	\$107,303	\$106,407	\$113,216	\$108,496	\$99,245	\$101,296	\$97,726	\$101,555	\$116,245	\$108,113	\$1,380,350
Total Oper Income (loss)	\$7,058	\$7,081	\$7,198	\$7,138	\$14,419	\$15,647	\$14,846	\$14,446	\$15,750	\$14,374	\$15,150	\$19,531	\$16,646	\$169,284
Administrative Expenses														
Corporate Office & Admin Expense Allocation	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$84,615
Other G&A Expenses	\$1,722	\$1,722	\$1,722	\$1,722	\$1,722	\$1,722	\$1,722	\$1,722	\$1,722	\$1,722	\$1,722	\$1,130	\$1,130	\$21,201
Total G&A	\$8,231	\$8,231	\$8,231	\$8,231	\$8,231	\$8,231	\$8,231	\$8,231	\$8,231	\$8,231	\$8,231	\$7,638	\$7,638	\$105,817
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
EBITDA (with rent add back)	(\$1,173)	(\$1,150)	(\$1,033)	(\$1,093)	\$6,188	\$7,416	\$6,615	\$6,216	\$7,519	\$6,143	\$6,920	\$11,892	\$9,007	\$63,467
	-0.70%	-0.69%	-0.61%	-0.65%	3.48%	3.91%	3.65%	3.72%	4.37%	3.73%	4.03%	5.96%	4.91%	
US Trustee Fee	\$0	\$0	\$0	\$1,000	\$0	\$0	\$0	\$1,000	\$0	\$0	\$0	\$0	\$0	\$2,000
Debt Service	\$8,346	\$8,346	\$8,346	\$8,346	\$8,346	\$8,346	\$8,346	\$8,346	\$8,346	\$8,346	\$8,346	\$8,346	\$0	\$100,146
Tax Payment on past due taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Debt Service Corporate	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$0	\$4,204
Net Cash Flow	(\$9,869)	(\$9,846)	(\$9,729)	(\$10,789)	(\$2,508)	(\$1,280)	(\$2,081)	(\$3,480)	(\$1,177)	(\$2,553)	(\$1,776)	\$3,196	\$9,007	(\$42,883)
Capital Reserve Loan	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$0	\$18,000
Net Cash Flow after Reserve	(\$11,369)	(\$11,346)	(\$11,229)	(\$12,289)	(\$4,008)	(\$2,780)	(\$3,581)	(\$4,980)	(\$2,677)	(\$4,053)	(\$3,276)	\$1,696	\$9,007	(\$60,883)
SSS Growth	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	
COGS	32.00%	32.00%	32.00%	32.00%	32.00%	32.00%	32.00%	32.00%	32.00%	32.00%	32.00%	32.00%	32.00%	32.00%
Labor	37.24%	37.24%	37.24%	37.24%	36.50%	36.50%	36.50%	36.50%	36.50%	36.50%	36.50%	35.78%	36.50%	36.29%
Labor Savings														
Mgr Controllables	15.90%	15.90%	15.90%	15.90%	12.20%	12.20%	12.20%	12.20%	12.20%	12.20%	12.20%	12.20%	12.20%	13.16%
Total Other Exp	2.54%	2.54%	2.54%	2.54%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	2.84%
Occupancy	8.72%	8.72%	8.72%	8.72%	8.78%	8.64%	8.71%	8.25%	7.74%	8.17%	8.06%	7.82%	7.82%	8.28%
Corporate Overhead	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	
Annual Total Corporate Overhead														
Other G&A Expenses	1,722	1,722	1,722	1,722	1,722	1,722	1,722	1,722	1,722	1,722	1,722	1,130	1,130	
Expenses in Dollars at 0% SSS Growth														
Labor	\$61,353	\$61,553	\$62,572	\$62,049	\$64,213	\$68,484	\$65,550	\$60,421	\$62,204	\$59,576	\$62,023	\$70,743	\$66,303	
Mgr Controllables	\$26,192	\$26,277	\$26,712	\$26,489	\$21,463	\$22,891	\$21,910	\$20,196	\$20,791	\$19,913	\$20,731	\$24,118	\$22,162	
Total Other Exp	\$4,193	\$4,206	\$4,276	\$4,240	\$5,278	\$5,629	\$5,388	\$4,966	\$5,113	\$4,897	\$5,098	\$5,931	\$5,450	
Occupancy	\$14,361	\$14,408	\$14,646	\$14,524	\$15,453	\$16,212	\$15,649	\$13,662	\$13,188	\$13,341	\$13,703	\$15,453	\$14,199	
Debt Service														
Prior Year Sales	164,760	165,295	168,032	166,629	175,926	187,627	179,589	165,537	170,422	163,221	169,927	197,693	181,652	
Average Last 4 Pds COGS				32.00%	32.00%	32.00%	32.00%	32.00%	32.00%	32.00%	32.00%	32.00%	32.00%	
Average Last 4 Pds Labor				37.24%	37.05%	36.87%	36.68%	36.50%	36.50%	36.50%	36.50%	36.32%	36.32%	
Average Last 4 Pds Total Mgr Average Last 4 Pds Controllable Exp				15.90%	14.97%	14.05%	13.12%	12.20%	12.20%	12.20%	12.20%	12.20%	12.20%	
Avg last 4 pds Total Other Oper Expenses				2.54%	2.66%	2.77%	2.89%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	
Average Last 4 Pds Occupancy Expenses				8.72%	8.73%	8.71%	8.71%	8.60%	8.34%	8.22%	8.06%	7.95%	7.97%	

McGrath's Public Fish House, Inc.  
Case No. 10-60500-fra11  
Exhibit 6 - Debtor's Projections  
(Plan Year 1 Ending September 2011)

Yr Over Yr	
	FYE 9-30-11
	Consolidated
Sales	\$30,046,350
COGS	\$9,458,871
Gross Profit	\$20,587,479
Labor	\$10,806,719
Total Mgr Controllable Exp	\$3,764,272
Total Other Oper Expenses	\$888,889
Occupancy Expenses	\$1,789,817
Total Restaurant Operating Expense	\$17,249,698
Total Oper Income (loss)	\$3,337,782
Administrative Expenses	
Corporate Office & Admin Expense Allocation	\$1,100,000
Other G&A Expenses	\$256,919
Total G&A	\$1,356,919
Other	
EBITDA (with rent add back)	\$1,980,863
US Trustee Fee	\$26,000
Debt Service	\$1,155,417
Tax Payment on past due taxes	\$12,131
Debt Service Corporate	\$54,658
Net Cash Flow	\$732,657
Capital Reserve Loan	\$234,000
Net Cash Flow after Reserve	\$498,657
SSS Growth	
COGS	31.50%
Labor	36.50%
Labor Savings	
Mgr Controllables	12.20%
Total Other Exp	3.50%
Occupancy	5.96%
Corporate Overhead	
Annual Total Corporate Overhead	
Other G&A Expenses	
Expenses in Dollars at 0% SSS Growth	
Labor	
Mgr Controllables	
Total Other Exp	
Occupancy	
Debt Service	
Prior Year Sales	
Average Last 4 Pds COGS	
Average Last 4 Pds Labor	
Average Last 4 Pds Total Mgr Average Last 4 Pds Controllable Exp	
Avg last 4 pds Total Other Oper Expenses	
Average Last 4 Pds Occupancy Expenses	

Exhibit 6 -  
Debtor's First Amended Disclosure Statement (June 8, 2010)

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McGrath's Publick Fish House, Inc.  
Case No. 10-60500-fra11  
Exhibit 6 - Debtor's Projections  
(Plan Year 2 Ending September 2012)

Yr Over Yr	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	
	Pd 10 2011	Pd 11 2011	Pd 12 2011	Pd 13 2011	Pd 1 2012	Pd 2 2012	Pd 3 2012	Pd 4 2012	Pd 5 2012	Pd 6 2012	Pd 7 2012	Pd 8 2012	Pd 9 2012	FYE 9-30-12	
Sales	13 Layton \$99,557	13 Layton \$112,805	13 Layton \$107,838	13 Layton \$103,886	13 Layton \$125,406	13 Layton \$129,317	13 Layton \$124,398	13 Layton \$110,035	13 Layton \$123,270	13 Layton \$124,333	13 Layton \$122,294	13 Layton \$113,059	13 Layton \$110,335	13 Layton \$110,534	
COGS	\$31,609	\$35,816	\$34,239	\$32,984	\$39,816	\$41,058	\$39,496	\$34,936	\$39,138	\$39,476	\$38,828	\$35,896	\$35,031	\$478,325	
Gross Profit	\$67,947	\$76,990	\$73,600	\$70,903	\$85,590	\$88,259	\$84,902	\$75,099	\$84,132	\$84,857	\$83,466	\$77,163	\$75,304	\$1,028,210	
Labor	\$33,182	\$37,598	\$35,943	\$34,625	\$41,798	\$43,102	\$41,462	\$36,675	\$41,086	\$41,440	\$40,761	\$37,683	\$36,775	\$502,129	
Total Mgr Controllable Exp	\$12,395	\$14,044	\$13,426	\$12,934	\$15,613	\$16,100	\$15,487	\$13,699	\$15,347	\$15,479	\$15,225	\$14,076	\$13,736	\$187,560	
Total Other Oper Expenses	\$3,074	\$3,483	\$3,330	\$3,208	\$3,872	\$3,993	\$3,841	\$3,398	\$3,807	\$3,839	\$3,776	\$3,491	\$3,407	\$46,521	
Occupancy Expenses	\$6,831	\$7,898	\$7,865	\$7,577	\$9,202	\$9,489	\$8,917	\$7,782	\$8,766	\$8,819	\$8,917	\$7,602	\$7,571	\$107,235	
Total Restaurant Operating Expense	\$55,482	\$63,024	\$60,563	\$58,344	\$70,485	\$72,683	\$69,708	\$61,554	\$69,006	\$69,577	\$68,679	\$62,852	\$61,489	\$843,445	
Total Oper Income (loss)	\$12,465	\$13,966	\$13,036	\$12,559	\$15,105	\$15,576	\$15,194	\$13,545	\$15,126	\$15,280	\$14,786	\$14,311	\$13,815	\$184,765	
Administrative Expenses															
Corporate Office & Admin Expense Allocation	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$84,615	
Other G&A Expenses	\$658	\$658	\$658	\$658	\$658	\$658	\$658	\$658	\$658	\$658	\$658	\$658	\$658	\$8,554	
Total G&A	\$7,167	\$7,167	\$7,167	\$7,167	\$7,167	\$7,167	\$7,167	\$7,167	\$7,167	\$7,167	\$7,167	\$7,167	\$7,167	\$93,169	
Other															
EBITDA (with rent add back)	\$5,298	\$6,799	\$5,870	\$5,392	\$7,938	\$8,409	\$8,027	\$6,378	\$7,960	\$8,113	\$7,619	\$7,144	\$6,648	\$91,595	
US Trustee Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Debt Service	\$7,726	\$7,726	\$7,726	\$7,726	\$7,726	\$7,726	\$7,726	\$7,726	\$7,726	\$7,726	\$7,726	\$7,726	\$7,726	\$92,717	
Tax Payment on past due taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Debt Service Corporate	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$4,204	
Net Cash Flow	(\$2,778)	(\$1,278)	(\$2,207)	(\$2,685)	(\$139)	\$332	(\$49)	(\$1,699)	(\$117)	\$36	(\$457)	(\$933)	\$6,648	(\$5,326)	
Capital Reserve Loan	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$0	\$18,000	
Net Cash Flow after Reserve	(\$4,278)	(\$2,778)	(\$3,707)	(\$4,185)	(\$1,639)	(\$1,168)	(\$1,549)	(\$3,199)	(\$1,617)	(\$1,464)	(\$1,957)	(\$2,433)	\$6,648	(\$23,326)	
SSS Growth	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	
COGS	31.75%	31.75%	31.75%	31.75%	31.75%	31.75%	31.75%	31.75%	31.75%	31.75%	31.75%	31.75%	31.75%	31.75%	
Labor	34.00%	34.00%	34.00%	34.00%	34.00%	34.00%	34.00%	34.00%	34.00%	34.00%	34.00%	34.00%	34.00%	33.33%	
Labor Savings															
Mgr Controllables	12.70%	12.70%	12.70%	12.70%	12.70%	12.70%	12.70%	12.70%	12.70%	12.70%	12.70%	12.70%	12.70%	12.45%	
Total Other Exp	3.15%	3.15%	3.15%	3.15%	3.15%	3.15%	3.15%	3.15%	3.15%	3.15%	3.15%	3.15%	3.15%	3.09%	
Occupancy	7.00%	7.14%	7.44%	7.44%	7.48%	7.31%	7.21%	7.25%	7.24%	7.24%	6.86%	7.00%	7.12%		
Corporate Overhead	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509		
Annual Total Corporate Overhead															
Other G&A Expenses	658	658	658	658	658	658	658	658	658	658	658	658	658		
Expenses in Dollars at 0% SSS Growth															
Labor	\$33,182	\$37,598	\$35,943	\$34,625	\$41,798	\$43,102	\$41,462	\$36,675	\$41,086	\$41,440	\$40,761	\$37,683	\$36,775		
Mgr Controllables	\$12,395	\$14,044	\$13,426	\$12,934	\$15,613	\$16,100	\$15,487	\$13,699	\$15,347	\$15,479	\$15,225	\$14,076	\$13,736		
Total Other Exp	\$3,074	\$3,483	\$3,330	\$3,208	\$3,872	\$3,993	\$3,841	\$3,398	\$3,807	\$3,839	\$3,776	\$3,491	\$3,407		
Occupancy	\$6,831	\$7,898	\$7,865	\$7,577	\$9,202	\$9,489	\$8,917	\$7,782	\$8,766	\$8,819	\$8,917	\$7,602	\$7,571		
	33182.2626	37598.067	35942.5696	34625.4334	41797.917	43101.5042	41462.014	36674.7426	41086.059	41440.339	40760.6382	3768259.44%	36774.7128		
	12394.55103	14043.98385	13425.60688	12933.61777	15612.75135	16099.67951	15487.2817	13699.09503	15346.85145	15479.18545	15225.29721	1407555.73%	13736.43684		
	3074.239035	3483.350325	3329.97336	3207.944565	3872.454075	3993.227595	3841.33365	3397.807035	3806.502525	3839.325525	3776.353245	349118.15%	3407.06898		
	6831.140026	7898.149945	7864.982242	7576.76543	9201.566951	9488.544048	8916.924605	7782.462387	8766.115302	8818.624312	8917.005096	7602.404594	7570.707748		

Exhibit 6 -  
Debtor's First Amended Disclosure Statement (June 8, 2010)

Exhibit 6 -  
Debtor's First Amended Disclosure Statement (June 8, 2010)

McGrath's Publick Fish House, Inc.  
Case No. 10-60500-fra11  
Exhibit 6 - Debtor's Projections  
(Plan Year 2 Ending September 2012)

Yr Over Yr	
	FYE 9-30-12
	<b>Consolidated</b>
Sales	\$30,346,814
COGS	\$9,553,460
<b>Gross Profit</b>	<b>\$20,793,354</b>
Labor	\$10,752,498
Total Mgr Controllable Exp	\$3,731,937
Total Other Oper Expenses	\$958,189
Occupancy Expenses	\$1,773,573
Total Restaurant Operating Expense	\$17,216,197
Total Oper Income (loss)	\$3,577,158
<b>Administrative Expenses</b>	
Corporate Office & Admin Expense Allocation	\$1,100,000
Other G&A Expenses	\$171,075
<b>Total G&amp;A</b>	<b>\$1,271,075</b>
<b>Other</b>	
<b>EBITDA (with rent add back)</b>	<b>\$2,306,083</b>
<b>US Trustee Fee</b>	<b>\$0</b>
Debt Service	\$1,178,596
Tax Payment on past due taxes	\$0
Debt Service Corporate	\$54,658
<b>Net Cash Flow</b>	<b>\$1,072,829</b>
Capital Reserve Loan	\$234,000
<b>Net Cash Flow after Reserve</b>	<b>\$838,829</b>
SSS Growth	
COGS	31.50%
Labor	36.50%
Labor Savings	
Mgr Controllables	12.20%
Total Other Exp	3.50%
Occupancy	5.84%
Corporate Overhead	
Annual Total Corporate Overhead	
Other G&A Expenses	
Expenses in Dollars at 0% SSS Growth	
Labor	
Mgr Controllables	
Total Other Exp	
Occupancy	

Exhibit 6 -  
Debtor's First Amended Disclosure Statement (June 8, 2010)

McGrath's Publick Fish House, Inc.  
Case No. 10-60500-fra11  
Exhibit 6 - Debtor's Projections  
(Plan Year 3 Ending September 2013)

Yr Over Yr	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
	Pd 10 2012	Pd 11 2012	Pd 12 2012	Pd 13 2012	Pd 1 2013	Pd 2 2013	Pd 3 2013	Pd 4 2013	Pd 5 2013	Pd 6 2013	Pd 7 2013	Pd 8 2013	Pd 9 2013	FYE 9-30-13
	2 Lancaster	2 Lancaster	2 Lancaster	2 Lancaster	2 Lancaster	2 Lancaster	2 Lancaster	2 Lancaster	2 Lancaster	2 Lancaster	2 Lancaster	2 Lancaster	2 Lancaster	2 Lancaster
Sales	\$229,418	\$243,429	\$230,591	\$243,088	\$245,021	\$265,160	\$245,605	\$226,862	\$238,095	\$230,878	\$234,813	\$247,122	\$246,482	\$3,126,565
COGS	\$71,119	\$75,463	\$71,483	\$75,357	\$75,957	\$82,200	\$76,138	\$70,327	\$73,809	\$71,572	\$72,792	\$76,608	\$76,409	\$969,235
Gross Profit	\$158,298	\$167,966	\$159,108	\$167,731	\$169,065	\$182,960	\$169,468	\$156,535	\$164,285	\$159,306	\$162,021	\$170,514	\$170,072	\$2,157,330
Labor	\$77,935	\$82,695	\$78,333	\$82,579	\$83,235	\$90,077	\$83,434	\$77,067	\$80,882	\$78,431	\$79,768	\$83,949	\$83,731	\$1,062,115
Total Mgr Controllable Exp	\$24,494	\$25,990	\$24,619	\$25,953	\$26,160	\$28,310	\$26,222	\$24,221	\$25,420	\$24,650	\$25,070	\$26,384	\$26,316	\$333,807
Total Other Oper Expenses	\$6,680	\$7,088	\$6,714	\$7,078	\$7,134	\$7,721	\$7,151	\$6,606	\$6,933	\$6,723	\$6,837	\$7,196	\$7,177	\$91,038
Occupancy Expenses	\$11,529	\$12,879	\$11,619	\$11,666	\$11,758	\$12,725	\$11,443	\$10,570	\$11,093	\$10,444	\$10,622	\$11,178	\$11,149	\$148,676
Total Restaurant Operating Expense	\$120,638	\$128,652	\$121,286	\$127,276	\$128,288	\$138,832	\$128,250	\$118,463	\$124,328	\$120,247	\$122,296	\$128,707	\$128,373	\$1,635,637
Total Oper Income (loss)	\$37,660	\$39,315	\$37,822	\$40,455	\$40,777	\$44,128	\$41,217	\$38,072	\$39,957	\$39,059	\$39,725	\$41,807	\$41,699	\$521,693
Administrative Expenses														
Corporate Office & Admin Expense Allocation	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$84,615
Other G&A Expenses	\$898	\$898	\$898	\$898	\$898	\$898	\$898	\$898	\$898	\$898	\$898	\$898	\$898	\$11,674
Total G&A	\$7,407	\$7,407	\$7,407	\$7,407	\$7,407	\$7,407	\$7,407	\$7,407	\$7,407	\$7,407	\$7,407	\$7,407	\$7,407	\$96,289
Other														
EBITDA (with rent add back)	\$30,253	\$31,908	\$30,415	\$33,048	\$33,370	\$36,721	\$33,810	\$30,665	\$32,550	\$31,652	\$32,318	\$34,400	\$34,292	\$425,404
US Trustee Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Debt Service	\$14,621	\$14,621	\$14,621	\$14,621	\$14,621	\$14,621	\$14,621	\$14,621	\$14,621	\$14,621	\$14,621	\$14,621	\$14,621	\$175,449
Tax Payment on past due taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Debt Service Corporate	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$4,204
Net Cash Flow	\$15,282	\$16,937	\$15,444	\$18,077	\$18,399	\$21,750	\$18,839	\$15,694	\$17,579	\$16,681	\$17,347	\$19,429	\$34,292	\$245,751
Capital Reserve Loan	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$0	\$18,000
Net Cash Flow after Reserve	\$13,782	\$15,437	\$13,944	\$16,577	\$16,899	\$20,250	\$17,339	\$14,194	\$16,079	\$15,181	\$15,847	\$17,929	\$34,292	\$227,751
SSS Growth	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	
COGS	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	
Labor	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	
Labor Savings														
Mgr Controllables	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%	
Total Other Exp	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	
Occupancy	5.18%	5.45%	5.19%	4.94%	4.94%	4.80%	4.80%	4.80%	4.80%	4.66%	4.66%	4.66%	4.66%	
Corporate Overhead	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	
Annual Total Corporate Overhead														
Other G&A Expenses	898	898	898	898	898	898	898	898	898	898	898	898	898	
Expenses in Dollars at 0% SSS Growth														
Labor	\$77,935	\$82,695	\$78,333	\$82,579	\$83,235	\$90,077	\$83,434	\$77,067	\$80,882	\$78,431	\$79,768	\$83,949	\$83,731	
Mgr Controllables	\$24,494	\$25,990	\$24,619	\$25,953	\$26,160	\$28,310	\$26,222	\$24,221	\$25,420	\$24,650	\$25,070	\$26,384	\$26,316	
Total Other Exp	\$6,680	\$7,088	\$6,714	\$7,078	\$7,134	\$7,721	\$7,151	\$6,606	\$6,933	\$6,723	\$6,837	\$7,196	\$7,177	
Occupancy	\$11,529	\$12,879	\$11,619	\$11,666	\$11,758	\$12,725	\$11,443	\$10,570	\$11,093	\$10,444	\$10,622	\$11,178	\$11,149	

Exhibit 6 -  
Debtor's First Amended Disclosure Statement (June 8, 2010)

McGrath's Publick Fish House, Inc.  
Case No. 10-60500-fra11  
Exhibit 6 - Debtor's Projections  
(Plan Year 3 Ending September 2013)

Yr Over Yr	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
	Pd 10 2012	Pd 11 2012	Pd 12 2012	Pd 13 2012	Pd 1 2013	Pd 2 2013	Pd 3 2013	Pd 4 2013	Pd 5 2013	Pd 6 2013	Pd 7 2013	Pd 8 2013	Pd 9 2013	FYE 9-30-13
	4 Milwuakie	4 Milwuakie	4 Milwuakie	4 Milwuakie	4 Milwuakie	4 Milwuakie	4 Milwuakie	4 Milwuakie	4 Milwuakie	4 Milwuakie	4 Milwuakie	4 Milwuakie	4 Milwuakie	4 Milwuakie
Sales	\$186,233	\$192,410	\$190,685	\$189,142	\$195,827	\$210,196	\$200,499	\$198,478	\$207,955	\$192,423	\$202,971	\$208,495	\$188,833	\$2,564,147
COGS	\$56,801	\$58,685	\$58,159	\$57,688	\$59,727	\$64,110	\$61,152	\$60,536	\$63,426	\$58,689	\$61,906	\$63,591	\$57,594	\$782,065
Gross Profit	\$129,432	\$133,725	\$132,526	\$131,453	\$136,100	\$146,086	\$139,347	\$137,942	\$144,529	\$133,734	\$141,065	\$144,904	\$131,239	\$1,782,082
Labor	\$69,591	\$71,899	\$71,255	\$70,678	\$73,176	\$78,545	\$74,922	\$74,167	\$77,708	\$71,904	\$75,846	\$77,910	\$70,563	\$958,163
Total Mgr Controllable Exp	\$19,973	\$20,636	\$20,451	\$20,285	\$21,002	\$22,544	\$21,504	\$21,287	\$22,303	\$20,637	\$21,769	\$22,361	\$20,252	\$275,005
Total Other Oper Expenses	\$5,423	\$5,603	\$5,552	\$5,507	\$5,702	\$6,120	\$5,838	\$5,779	\$6,055	\$5,603	\$5,910	\$6,071	\$5,498	\$74,662
Occupancy Expenses	\$14,611	\$15,096	\$14,732	\$14,817	\$14,848	\$15,082	\$15,465	\$14,786	\$15,431	\$14,266	\$15,376	\$15,795	\$14,305	\$195,610
Total Restaurant Operating Expense	\$109,598	\$113,234	\$111,990	\$111,288	\$114,728	\$123,291	\$117,729	\$116,019	\$121,497	\$112,411	\$118,901	\$122,137	\$110,619	\$1,503,441
Total Oper Income (loss)	\$19,833	\$20,491	\$20,536	\$20,166	\$21,371	\$22,795	\$21,618	\$21,923	\$23,032	\$21,323	\$22,164	\$22,767	\$20,620	\$278,641
Administrative Expenses														
Corporate Office & Admin Expense Allocation	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$84,615
Other G&A Expenses	\$775	\$775	\$775	\$775	\$775	\$775	\$775	\$775	\$775	\$775	\$775	\$775	\$775	\$10,075
Total G&A	\$7,284	\$7,284	\$7,284	\$7,284	\$7,284	\$7,284	\$7,284	\$7,284	\$7,284	\$7,284	\$7,284	\$7,284	\$7,284	\$94,690
Other														
EBITDA (with rent add back)	\$12,550	\$13,207	\$13,252	\$12,882	\$14,087	\$15,511	\$14,335	\$14,639	\$15,748	\$14,039	\$14,880	\$15,483	\$13,336	\$183,951
US Trustee Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Tax Payment on past due taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Debt Service Corporate	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$0	\$4,204
Net Cash Flow	\$12,199	\$12,857	\$12,902	\$12,532	\$13,737	\$15,161	\$13,984	\$14,289	\$15,397	\$13,689	\$14,530	\$15,133	\$13,336	\$179,746
Capital Reserve Loan	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$0	\$18,000
Net Cash Flow after Reserve	\$10,699	\$11,357	\$11,402	\$11,032	\$12,237	\$13,661	\$12,484	\$12,789	\$13,897	\$12,189	\$13,030	\$13,633	\$13,336	\$161,746
SSS Growth	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	
COGS	30.50%	30.50%	30.50%	30.50%	30.50%	30.50%	30.50%	30.50%	30.50%	30.50%	30.50%	30.50%	30.50%	
Labor	38.50%	38.50%	38.50%	38.50%	38.50%	38.50%	38.50%	38.50%	38.50%	38.50%	38.50%	38.50%	38.50%	
Labor Savings														
Mgr Controllables	11.05%	11.05%	11.05%	11.05%	11.05%	11.05%	11.05%	11.05%	11.05%	11.05%	11.05%	11.05%	11.05%	
Total Other Exp	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	
Occupancy	7.85%	7.85%	7.73%	7.83%	7.58%	7.71%	7.45%	7.42%	7.41%	7.58%	7.58%	7.58%	7.58%	
Corporate Overhead	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	
Annual Total Corporate Overhead														
Other G&A Expenses	775	775	775	775	775	775	775	775	775	775	775	775	775	
Expenses in Dollars at 0% SSS Growth														
Labor	\$69,591	\$71,899	\$71,255	\$70,678	\$73,176	\$78,545	\$74,922	\$74,167	\$77,708	\$71,904	\$75,846	\$77,910	\$70,563	
Mgr Controllables	\$19,973	\$20,636	\$20,451	\$20,285	\$21,002	\$22,544	\$21,504	\$21,287	\$22,303	\$20,637	\$21,769	\$22,361	\$20,252	
Total Other Exp	\$5,423	\$5,603	\$5,552	\$5,507	\$5,702	\$6,120	\$5,838	\$5,779	\$6,055	\$5,603	\$5,910	\$6,071	\$5,498	
Occupancy	\$14,181	\$14,652	\$14,299	\$14,381	\$14,411	\$15,609	\$15,010	\$14,351	\$14,977	\$13,847	\$14,924	\$15,330	\$13,885	

Exhibit 6 -  
Debtor's First Amended Disclosure Statement (June 8, 2010)

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Debtor's First Amended Disclosure Statement (June 8, 2010)

McGrath's Publiack Fish House, Inc.  
Case No. 10-60500-fra11  
Exhibit 6 - Debtor's Projections  
(Plan Year 3 Ending September 2013)

Yr Over Yr	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
	Pd 10 2012	Pd 11 2012	Pd 12 2012	Pd 13 2012	Pd 1 2013	Pd 2 2013	Pd 3 2013	Pd 4 2013	Pd 5 2013	Pd 6 2013	Pd 7 2013	Pd 8 2013	Pd 9 2013	FYE 9-30-13
	9 Vancouver	9 Vancouver	9 Vancouver	9 Vancouver	9 Vancouver	9 Vancouver	9 Vancouver	9 Vancouver	9 Vancouver	9 Vancouver	9 Vancouver	9 Vancouver	9 Vancouver	9 Vancouver
Sales	\$224,111	\$231,616	\$225,260	\$224,219	\$243,112	\$249,875	\$236,255	\$225,566	\$239,442	\$217,724	\$239,372	\$237,267	\$232,655	\$3,026,476
COGS	\$69,475	\$71,801	\$69,831	\$69,508	\$75,365	\$77,461	\$73,239	\$69,926	\$74,227	\$67,495	\$74,205	\$73,553	\$72,123	\$938,208
Gross Profit	\$154,637	\$159,815	\$155,429	\$154,711	\$167,748	\$172,414	\$163,016	\$155,641	\$165,215	\$150,230	\$165,167	\$163,714	\$160,532	\$2,088,268
Labor	\$77,220	\$79,806	\$77,615	\$77,257	\$83,767	\$86,097	\$81,404	\$77,721	\$82,502	\$75,019	\$82,478	\$81,753	\$80,163	\$1,042,801
Total Mgr Controllable Exp	\$27,843	\$28,775	\$27,985	\$27,856	\$30,203	\$31,043	\$29,351	\$28,023	\$29,747	\$27,049	\$29,739	\$29,477	\$28,904	\$375,996
Total Other Oper Expenses	\$8,701	\$8,992	\$8,745	\$8,705	\$9,439	\$9,701	\$9,172	\$8,757	\$9,296	\$8,453	\$9,293	\$9,212	\$9,032	\$117,499
Occupancy Expenses	\$3,013	\$3,114	\$3,001	\$2,943	\$3,087	\$3,263	\$3,099	\$2,729	\$3,028	\$2,779	\$3,192	\$3,164	\$3,102	\$39,514
Total Restaurant Operating Expense	\$116,776	\$120,687	\$117,347	\$116,761	\$126,496	\$130,104	\$123,026	\$117,231	\$124,573	\$113,300	\$124,702	\$123,605	\$121,202	\$1,575,809
Total Oper Income (loss)	\$37,860	\$39,128	\$38,083	\$37,951	\$41,252	\$42,310	\$39,989	\$38,410	\$40,642	\$36,930	\$40,465	\$40,109	\$39,330	\$512,459
Administrative Expenses														
Corporate Office & Admin Expense Allocation	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$84,615
Other G&A Expenses	\$945	\$945	\$945	\$945	\$945	\$945	\$945	\$945	\$945	\$945	\$945	\$945	\$945	\$12,285
Total G&A	\$7,454	\$7,454	\$7,454	\$7,454	\$7,454	\$7,454	\$7,454	\$7,454	\$7,454	\$7,454	\$7,454	\$7,454	\$7,454	\$96,900
Other														
EBITDA (with rent add back)	\$30,407	\$31,674	\$30,629	\$30,497	\$33,798	\$34,856	\$32,536	\$30,956	\$33,188	\$29,476	\$33,011	\$32,655	\$31,876	\$415,559
US Trustee Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Debt Service	\$21,176	\$21,176	\$21,176	\$21,176	\$21,176	\$21,176	\$21,176	\$21,176	\$21,176	\$21,176	\$21,176	\$21,176	\$21,176	\$254,112
Tax Payment on past due taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Debt Service Corporate	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$4,204
Net Cash Flow	\$8,880	\$10,148	\$9,102	\$8,971	\$12,272	\$13,330	\$11,009	\$9,430	\$11,661	\$7,950	\$11,485	\$11,129	\$31,876	\$157,242
Capital Reserve Loan	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$0	\$18,000
Net Cash Flow after Reserve	\$7,380	\$8,648	\$7,602	\$7,471	\$10,772	\$11,830	\$9,509	\$7,930	\$10,161	\$6,450	\$9,985	\$9,629	\$31,876	\$139,242
SSS Growth	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
COGS	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%
Labor	35.50%	35.50%	35.50%	35.50%	35.50%	35.50%	35.50%	35.50%	35.50%	35.50%	35.50%	35.50%	35.50%	35.50%
Labor Savings														
Mgr Controllables	12.80%	12.80%	12.80%	12.80%	12.80%	12.80%	12.80%	12.80%	12.80%	12.80%	12.80%	12.80%	12.80%	12.80%
Total Other Exp	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Occupancy	1.39%	1.39%	1.37%	1.35%	1.31%	1.35%	1.35%	1.25%	1.30%	1.32%	1.37%	1.37%	1.37%	1.37%
Corporate Overhead	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509
Annual Total Corporate Overhead														
Other G&A Expenses	945	945	945	945	945	945	945	945	945	945	945	945	945	945
Expenses in Dollars at 0% SSS Growth														
Labor	\$77,220	\$79,806	\$77,615	\$77,257	\$83,767	\$86,097	\$81,404	\$77,721	\$82,502	\$75,019	\$82,478	\$81,753	\$80,163	
Mgr Controllables	\$27,843	\$28,775	\$27,985	\$27,856	\$30,203	\$31,043	\$29,351	\$28,023	\$29,747	\$27,049	\$29,739	\$29,477	\$28,904	
Total Other Exp	\$8,701	\$8,992	\$8,745	\$8,705	\$9,439	\$9,701	\$9,172	\$8,757	\$9,296	\$8,453	\$9,293	\$9,212	\$9,032	
Occupancy	\$3,013	\$3,114	\$3,001	\$2,943	\$3,087	\$3,263	\$3,099	\$2,729	\$3,028	\$2,779	\$3,192	\$3,164	\$3,102	

McGrath's Publick Fish House, Inc.  
Case No. 10-60500-fra11  
Exhibit 6 - Debtor's Projections  
(Plan Year 3 Ending September 2013)

Yr Over Yr	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	
	Pd 10 2012	Pd 11 2012	Pd 12 2012	Pd 13 2012	Pd 1 2013	Pd 2 2013	Pd 3 2013	Pd 4 2013	Pd 5 2013	Pd 6 2013	Pd 7 2013	Pd 8 2013	Pd 9 2013	FYE 9-30-13
	11 Sandy	11 Sandy	11 Sandy	11 Sandy	11 Sandy	11 Sandy	11 Sandy	11 Sandy	11 Sandy	11 Sandy	11 Sandy	11 Sandy	11 Sandy	11 Sandy
Sales	\$122,068	\$135,179	\$132,405	\$132,456	\$154,010	\$168,567	\$166,908	\$147,206	\$148,781	\$146,063	\$148,524	\$140,267	\$134,650	\$1,877,083
COGS	\$40,282	\$44,609	\$43,694	\$43,710	\$50,823	\$55,627	\$55,080	\$48,578	\$49,098	\$48,201	\$49,013	\$46,288	\$44,434	\$619,437
Gross Profit	\$81,785	\$90,570	\$88,712	\$88,745	\$103,187	\$112,940	\$111,829	\$98,628	\$99,683	\$97,862	\$99,511	\$93,979	\$90,215	\$1,257,646
Labor	\$33,297	\$37,370	\$36,508	\$36,524	\$43,218	\$47,740	\$47,225	\$41,105	\$41,594	\$40,750	\$41,514	\$38,950	\$37,205	\$523,001
Total Mgr Controllable Exp	\$15,758	\$17,450	\$17,092	\$17,099	\$19,881	\$21,760	\$21,546	\$19,003	\$19,206	\$18,855	\$19,173	\$18,107	\$17,382	\$242,310
Total Other Oper Expenses	\$4,147	\$4,592	\$4,498	\$4,500	\$5,232	\$5,726	\$5,670	\$5,001	\$5,054	\$4,962	\$5,045	\$4,765	\$4,574	\$63,766
Occupancy Expenses	\$9,617	\$10,651	\$11,051	\$11,056	\$13,253	\$14,507	\$14,365	\$12,929	\$12,790	\$12,324	\$13,006	\$12,283	\$11,791	\$159,620
Total Restaurant Operating Expense	\$62,819	\$70,063	\$69,149	\$69,178	\$81,584	\$89,733	\$88,805	\$78,037	\$78,644	\$76,891	\$78,738	\$74,104	\$70,952	\$988,697
Total Oper Income (loss)	\$18,966	\$20,507	\$19,563	\$19,568	\$21,603	\$23,207	\$23,023	\$20,591	\$21,039	\$20,972	\$20,773	\$19,875	\$19,263	\$268,949
Administrative Expenses														
Corporate Office & Admin Expense Allocation	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$84,615
Other G&A Expenses	\$817	\$817	\$817	\$817	\$817	\$817	\$817	\$817	\$817	\$817	\$817	\$817	\$817	\$10,621
Total G&A	\$7,326	\$7,326	\$7,326	\$7,326	\$7,326	\$7,326	\$7,326	\$7,326	\$7,326	\$7,326	\$7,326	\$7,326	\$7,326	\$95,236
Other														
EBITDA (with rent add back)	\$11,640	\$13,181	\$12,237	\$12,242	\$14,277	\$15,881	\$15,697	\$13,265	\$13,713	\$13,646	\$13,447	\$12,549	\$11,938	\$173,712
US Trustee Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Debt Service	\$8,281	\$8,281	\$8,281	\$8,281	\$8,281	\$8,281	\$8,281	\$8,281	\$8,281	\$8,281	\$8,281	\$8,281	\$0	\$99,375
Tax Payment on past due taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Debt Service Corporate	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$0	\$4,204
Net Cash Flow	\$3,009	\$4,550	\$3,605	\$3,610	\$5,645	\$7,250	\$7,066	\$4,633	\$5,081	\$5,014	\$4,815	\$3,917	\$11,938	\$70,133
Capital Reserve Loan	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$0	\$18,000
Net Cash Flow after Reserve	\$1,509	\$3,050	\$2,105	\$2,110	\$4,145	\$5,750	\$5,566	\$3,133	\$3,581	\$3,514	\$3,315	\$2,417	\$11,938	\$52,133
SSS Growth	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	
COGS	33.00%	33.00%	33.00%	33.00%	33.00%	33.00%	33.00%	33.00%	33.00%	33.00%	33.00%	33.00%	33.00%	33.00%
Labor	32.00%	32.00%	32.00%	32.00%	32.00%	32.00%	32.00%	32.00%	32.00%	32.00%	32.00%	32.00%	32.00%	32.00%
Labor Savings	4,615	4,615	4,615	4,615	4,615	4,615	4,615	4,615	4,615	4,615	4,615	4,615	4,615	4,615
Mgr Controllables	13.30%	13.30%	13.30%	13.30%	13.30%	13.30%	13.30%	13.30%	13.30%	13.30%	13.30%	13.30%	13.30%	13.30%
Total Other Exp	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
Occupancy	7.88%	7.88%	8.35%	8.35%	8.61%	8.61%	8.61%	8.78%	8.60%	8.44%	8.76%	8.76%	8.76%	8.76%
Corporate Overhead	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509
Annual Total Corporate Overhead														
Other G&A Expenses	817	817	817	817	817	817	817	817	817	817	817	817	817	
Expenses in Dollars at 0% SSS Growth														
Labor	\$33,297	\$37,370	\$36,508	\$36,524	\$43,218	\$47,740	\$47,225	\$41,105	\$41,594	\$40,750	\$41,514	\$38,950	\$37,205	
Mgr Controllables	\$15,758	\$17,450	\$17,092	\$17,099	\$19,881	\$21,760	\$21,546	\$19,003	\$19,206	\$18,855	\$19,173	\$18,107	\$17,382	
Total Other Exp	\$4,147	\$4,592	\$4,498	\$4,500	\$5,232	\$5,726	\$5,670	\$5,001	\$5,054	\$4,962	\$5,045	\$4,765	\$4,574	
Occupancy	\$9,334	\$10,338	\$10,726	\$10,730	\$12,863	\$14,080	\$13,942	\$12,548	\$12,414	\$11,961	\$12,623	\$11,921	\$11,444	

McGrath's Publick Fish House, Inc.  
Case No. 10-60500-fra11  
Exhibit 6 - Debtor's Projections  
(Plan Year 3 Ending September 2013)

Yr Over Yr	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
	Pd 10 2012	Pd 11 2012	Pd 12 2012	Pd 13 2012	Pd 1 2013	Pd 2 2013	Pd 3 2013	Pd 4 2013	Pd 5 2013	Pd 6 2013	Pd 7 2013	Pd 8 2013	Pd 9 2013	FYE 9-30-13
	13 Layton	13 Layton	13 Layton	13 Layton	13 Layton	13 Layton	13 Layton	13 Layton	13 Layton	13 Layton	13 Layton	13 Layton	13 Layton	13 Layton
Sales	\$100,552	\$113,933	\$108,917	\$104,925	\$126,660	\$130,610	\$125,642	\$111,135	\$124,503	\$125,577	\$123,517	\$114,189	\$111,438	\$1,521,600
COGS	\$31,925	\$36,174	\$34,581	\$33,314	\$40,215	\$41,469	\$39,891	\$35,285	\$39,530	\$39,871	\$39,217	\$36,255	\$35,382	\$483,108
Gross Profit	\$68,627	\$77,759	\$74,336	\$71,612	\$86,446	\$89,142	\$85,751	\$75,850	\$84,973	\$85,706	\$84,300	\$77,934	\$76,057	\$1,038,492
Labor	\$33,182	\$37,598	\$35,943	\$34,625	\$41,798	\$43,102	\$41,462	\$36,675	\$41,086	\$41,440	\$40,761	\$37,683	\$36,775	\$502,129
Total Mgr Controllable Exp	\$12,395	\$14,044	\$13,426	\$12,934	\$15,613	\$16,100	\$15,487	\$13,699	\$15,347	\$15,479	\$15,225	\$14,076	\$13,736	\$187,560
Total Other Oper Expenses	\$3,074	\$3,483	\$3,330	\$3,208	\$3,872	\$3,993	\$3,841	\$3,398	\$3,807	\$3,839	\$3,776	\$3,491	\$3,407	\$46,521
Occupancy Expenses	\$6,831	\$7,898	\$7,865	\$7,577	\$9,202	\$9,489	\$8,917	\$7,782	\$8,766	\$8,819	\$8,917	\$8,244	\$8,045	\$108,351
Total Restaurant Operating Expense	\$55,482	\$63,024	\$60,563	\$58,344	\$70,485	\$72,683	\$69,708	\$61,554	\$69,006	\$69,577	\$68,679	\$63,493	\$61,963	\$844,560
Total Oper Income (loss)	\$13,145	\$14,736	\$13,772	\$13,268	\$15,961	\$16,459	\$16,043	\$14,296	\$15,968	\$16,129	\$15,621	\$14,441	\$14,093	\$193,931
Administrative Expenses														
Corporate Office & Admin Expense Allocation	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$84,615
Other G&A Expenses	\$658	\$658	\$658	\$658	\$658	\$658	\$658	\$658	\$658	\$658	\$658	\$658	\$658	\$8,554
Total G&A	\$7,167	\$7,167	\$7,167	\$7,167	\$7,167	\$7,167	\$7,167	\$7,167	\$7,167	\$7,167	\$7,167	\$7,167	\$7,167	\$93,169
Other														
EBITDA (with rent add back)	\$5,978	\$7,569	\$6,606	\$6,101	\$8,794	\$9,292	\$8,876	\$7,129	\$8,801	\$8,962	\$8,454	\$7,274	\$6,927	\$100,762
US Trustee Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Debt Service	\$7,726	\$7,726	\$7,726	\$7,726	\$7,726	\$7,726	\$7,726	\$7,726	\$7,726	\$7,726	\$7,726	\$7,726	\$0	\$92,717
Tax Payment on past due taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Debt Service Corporate	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$0	\$4,204
Net Cash Flow	(\$2,099)	(\$508)	(\$1,471)	(\$1,976)	\$717	\$1,215	\$800	(\$948)	\$724	\$885	\$377	(\$802)	\$6,927	\$3,841
Capital Reserve Loan	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$0	\$18,000
Net Cash Flow after Reserve	(\$3,599)	(\$2,008)	(\$2,971)	(\$3,476)	(\$783)	(\$285)	(\$700)	(\$2,448)	(\$776)	(\$615)	(\$1,123)	(\$2,302)	\$6,927	(\$14,159)
SSS Growth	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	
COGS	31.75%	31.75%	31.75%	31.75%	31.75%	31.75%	31.75%	31.75%	31.75%	31.75%	31.75%	31.75%	31.75%	
Labor	34.00%	34.00%	34.00%	34.00%	34.00%	34.00%	34.00%	34.00%	34.00%	34.00%	34.00%	34.00%	34.00%	
Labor Savings														
Mgr Controllables	12.70%	12.70%	12.70%	12.70%	12.70%	12.70%	12.70%	12.70%	12.70%	12.70%	12.70%	12.70%	12.70%	
Total Other Exp	3.15%	3.15%	3.15%	3.15%	3.15%	3.15%	3.15%	3.15%	3.15%	3.15%	3.15%	3.15%	3.15%	
Occupancy	7.00%	7.14%	7.44%	7.44%	7.48%	7.48%	7.31%	7.21%	7.25%	7.24%	7.44%	7.44%	7.44%	
Corporate Overhead	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	
Annual Total Corporate Overhead														
Other G&A Expenses	658	658	658	658	658	658	658	658	658	658	658	658	658	
Expenses in Dollars at 0% SSS Growth														
Labor	\$33,182	\$37,598	\$35,943	\$34,625	\$41,798	\$43,102	\$41,462	\$36,675	\$41,086	\$41,440	\$40,761	\$37,683	\$36,775	
Mgr Controllables	\$12,395	\$14,044	\$13,426	\$12,934	\$15,613	\$16,100	\$15,487	\$13,699	\$15,347	\$15,479	\$15,225	\$14,076	\$13,736	
Total Other Exp	\$3,074	\$3,483	\$3,330	\$3,208	\$3,872	\$3,993	\$3,841	\$3,398	\$3,807	\$3,839	\$3,776	\$3,491	\$3,407	
Occupancy	\$6,831	\$7,898	\$7,865	\$7,577	\$9,202	\$9,489	\$8,917	\$7,782	\$8,766	\$8,819	\$8,917	\$8,244	\$8,045	
	33182.2626	37598.067	35942.5696	34625.4334	41797.917	43101.5042	41462.014	36674.7426	41086.059	41440.339	40760.6382	37682.5944	36774.7128	
	12394.55103	14043.98385	13425.60688	12933.61777	15612.75135	16099.67951	15487.2817	13699.09503	15346.85145	15479.18545	15225.29721	14075.55732	13736.43684	
	3074.239035	3483.350325	3329.97336	3207.944565	3872.454075	3993.227595	3841.33365	3397.807035	3806.502525	3839.325525	3776.353245	3491.18154	3407.06898	
	6831.140026	7898.149945	7864.982242	7576.76543	9201.566951	9488.544048	8916.924605	7782.462387	8766.115302	8818.624312	8917.005096	8243.636536	8045.023727	

McGrath's Publick Fish House, Inc.  
Case No. 10-60500-fra11  
Exhibit 6 - Debtor's Projections  
(Plan Year 3 Ending September 2013)

Yr Over Yr	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	
	Pd 10 2012	Pd 11 2012	Pd 12 2012	Pd 13 2012	Pd 1 2013	Pd 2 2013	Pd 3 2013	Pd 4 2013	Pd 5 2013	Pd 6 2013	Pd 7 2013	Pd 8 2013	Pd 9 2013	FYE 9-30-13	
	15 Beaverton	15 Beaverton	15 Beaverton	15 Beaverton	15 Beaverton	15 Beaverton	15 Beaverton	15 Beaverton	15 Beaverton	15 Beaverton	15 Beaverton	15 Beaverton	15 Beaverton	15 Beaverton	
Sales	\$187,217	\$189,907	\$198,935	\$205,414	\$211,424	\$221,456	\$201,093	\$200,179	\$204,826	\$185,718	\$187,298	\$211,750	\$198,554	\$2,603,773	
COGS	\$58,037	\$58,871	\$61,670	\$63,678	\$65,541	\$68,651	\$62,339	\$62,056	\$63,496	\$57,573	\$58,062	\$65,643	\$61,552	\$807,170	
Gross Profit	\$129,180	\$131,035	\$137,265	\$141,736	\$145,883	\$152,805	\$138,754	\$138,124	\$141,330	\$128,145	\$129,236	\$146,108	\$137,002	\$1,796,603	
Labor	\$66,325	\$67,277	\$70,476	\$72,771	\$74,900	\$78,454	\$71,240	\$70,917	\$72,563	\$65,793	\$66,353	\$75,016	\$70,341	\$922,427	
Total Mgr Controllable Exp	\$20,897	\$21,197	\$22,205	\$22,928	\$23,599	\$24,718	\$22,446	\$22,344	\$22,862	\$20,729	\$20,906	\$23,635	\$22,162	\$290,628	
Total Other Oper Expenses	\$5,451	\$5,530	\$5,793	\$5,981	\$6,156	\$6,448	\$5,855	\$5,829	\$5,964	\$5,408	\$5,454	\$6,166	\$5,781	\$75,816	
Occupancy Expenses	\$10,308	\$10,456	\$10,807	\$11,835	\$12,008	\$12,007	\$10,559	\$10,213	\$9,979	\$9,917	\$10,852	\$12,269	\$11,505	\$142,715	
Total Restaurant Operating Expense	\$102,980	\$104,460	\$109,280	\$113,515	\$116,664	\$121,628	\$110,101	\$109,302	\$111,369	\$101,847	\$103,565	\$117,086	\$109,789	\$1,431,585	
Total Oper Income (loss)	\$26,199	\$26,576	\$27,985	\$28,221	\$29,219	\$31,176	\$28,654	\$28,822	\$29,962	\$26,298	\$25,671	\$29,022	\$27,213	\$365,018	
Administrative Expenses															
Corporate Office & Admin Expense Allocation	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$6,509	\$84,615	
Other G&A Expenses	\$1,051	\$1,051	\$1,051	\$1,051	\$1,051	\$1,051	\$1,051	\$1,051	\$1,051	\$1,051	\$1,051	\$1,051	\$1,051	\$13,663	
Total G&A	\$7,560	\$7,560	\$7,560	\$7,560	\$7,560	\$7,560	\$7,560	\$7,560	\$7,560	\$7,560	\$7,560	\$7,560	\$7,560	\$98,278	
Other															
EBITDA (with rent add back)	\$18,640	\$19,016	\$20,425	\$20,661	\$21,659	\$23,616	\$21,094	\$21,262	\$22,402	\$18,738	\$18,111	\$21,462	\$19,653	\$266,740	
US Trustee Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Debt Service	\$16,621	\$16,621	\$16,621	\$16,621	\$16,621	\$16,621	\$16,621	\$16,621	\$16,621	\$16,621	\$16,621	\$16,621	\$0	\$199,450	
Tax Payment on past due taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Debt Service Corporate	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$0	\$4,204	
Net Cash Flow	\$1,668	\$2,045	\$3,454	\$3,690	\$4,688	\$6,645	\$4,122	\$4,291	\$5,431	\$1,767	\$1,139	\$4,491	\$19,653	\$63,085	
Capital Reserve Loan	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$0	\$18,000	
Net Cash Flow after Reserve	\$168	\$545	\$1,954	\$2,190	\$3,188	\$5,145	\$2,622	\$2,791	\$3,931	\$267	(\$361)	\$2,991	\$19,653	\$45,085	
SSS Growth	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	
COGS	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%	
Labor	36.50%	36.50%	36.50%	36.50%	36.50%	36.50%	36.50%	36.50%	36.50%	36.50%	36.50%	36.50%	36.50%	36.50%	
Labor Savings															
Mgr Controllables	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	
Total Other Exp	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	
Occupancy	5.67%	5.67%	5.60%	5.94%	5.85%	5.59%	5.41%	5.26%	5.02%	5.50%	5.97%	5.97%	5.97%	5.97%	
Corporate Overhead	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	6,509	
Annual Total Corporate Overhead															
Other G&A Expenses	1,051	1,051	1,051	1,051	1,051	1,051	1,051	1,051	1,051	1,051	1,051	1,051	1,051	1,051	
Expenses in Dollars at 0% SSS Growth															
Labor	\$66,325	\$67,277	\$70,476	\$72,771	\$74,900	\$78,454	\$71,240	\$70,917	\$72,563	\$65,793	\$66,353	\$75,016	\$70,341		
Mgr Controllables	\$20,897	\$21,197	\$22,205	\$22,928	\$23,599	\$24,718	\$22,446	\$22,344	\$22,862	\$20,729	\$20,906	\$23,635	\$22,162		
Total Other Exp	\$5,451	\$5,530	\$5,793	\$5,981	\$6,156	\$6,448	\$5,855	\$5,829	\$5,964	\$5,408	\$5,454	\$6,166	\$5,781		
Occupancy	\$10,308	\$10,456	\$10,807	\$11,835	\$12,008	\$12,007	\$10,559	\$10,213	\$9,979	\$9,917	\$10,852	\$12,269	\$11,505		

Exhibit 6 -  
Debtor's First Amended Disclosure Statement (June 8, 2010)

Exhibit 6 -  
Debtor's First Amended Disclosure Statement (June 8, 2010)

McGrath's Publick Fish House, Inc.

Case No. 10-60500-fra11

Exhibit 6 - Debtor's Projections

(Consolidated Plan Year 1 - 3)

	FYE 9-11	FYE 9-12	FYE 9-13
	Consolidated	Consolidated	Consolidated
Sales	\$30,046,350	\$30,346,814	\$30,650,282
COGS	\$9,458,871	\$9,553,460	\$9,648,994
<b>Gross Profit</b>	<b>\$20,587,479</b>	<b>\$20,793,354</b>	<b>\$21,001,288</b>
Labor	\$10,806,719	\$10,752,498	\$10,769,463
Total Mgr Controllable Exp	\$3,764,272	\$3,731,937	\$3,726,931
Total Other Oper Expenses	\$888,889	\$958,189	\$958,189
Occupancy Expenses	\$1,789,817	\$1,773,573	\$1,786,423
Total Restaurant Operating Expense	\$17,249,698	\$17,216,197	\$17,241,006
Total Oper Income (loss)	\$3,337,782	\$3,577,158	\$3,760,282
<b>Administrative Expenses</b>			
Corporate Office & Admin Expense Allocation	\$1,100,000	\$1,100,000	\$1,100,000
Other G&A Expenses	\$256,919	\$171,075	\$171,075
<b>Total G&amp;A</b>	<b>\$1,356,919</b>	<b>\$1,271,075</b>	<b>\$1,271,075</b>
<b>Other</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>EBITDA (with rent add back)</b>	<b>\$1,980,863</b>	<b>\$2,306,083</b>	<b>\$2,489,207</b>
US Trustee Fee	\$26,000	\$0	\$0
Debt Service	\$1,155,417	\$1,178,596	\$1,178,596
Tax Payment on past due taxes	\$12,131	\$0	\$0
Debt Service Corporate	\$54,658	\$54,658	\$54,658
<b>Net Cash Flow</b>	<b>\$732,657</b>	<b>\$1,072,829</b>	<b>\$1,255,953</b>
<b>Payment to Unsecured Creditors</b>	<b>\$439,594</b>	<b>\$643,698</b>	<b>\$753,572</b>
<b>Net Cash Flow after Unsecured Pmts</b>	<b>\$293,063</b>	<b>\$429,132</b>	<b>\$502,381</b>
<b>Capex Reserve Loan</b>	<b>\$234,000</b>	<b>\$234,000</b>	<b>\$234,000</b>
<b>Net Cash Flow after Unsecured Pmts</b>	<b>\$59,063</b>	<b>\$195,132</b>	<b>\$268,381</b>
COGS	31.48%	31.48%	31.48%
Labor	35.97%	35.43%	35.14%
Mgr Controllables	12.53%	12.30%	12.16%
Total Other Exp	2.96%	3.16%	3.13%
Occupancy	5.96%	5.84%	5.83%

# EXHIBIT 8

**Exhibit 8**  
**LIQUIDATION ANALYSIS**

<b>Store Number</b>	<b>Nature of Interest in Property</b>	<b>Liquidation Value</b>	<b>Amount of Secured Claim</b>	<b>Net to Estate</b>
#1	Lease real estate Own equipment	0 <sup>1</sup> \$77,102 <sup>2</sup>	0	\$77,102
#2	Own the building subject to ground lease, Own equipment	\$1,100,000 – \$1,150,000 <sup>3</sup>	\$1,124,800	0 - \$25,200
#3	Lease real estate Own equipment	0 <sup>1</sup> \$73,006 <sup>2</sup>	0	\$73,006
#4	Lease real estate Own equipment	0 <sup>1</sup> \$86,353 <sup>2</sup>	0	\$86,353
#5	Lease real estate Own equipment	0 <sup>1</sup> \$86,187 <sup>2</sup>	0	\$86,187
#6	Lease real estate Own equipment	0 <sup>1</sup> \$64,647 <sup>2</sup>	\$575,933	0
#7	Own the real estate Own equipment	\$1,300,000 <sup>4</sup> \$97,479 <sup>2</sup>	Approximately \$2.1 million which includes KeyBank's debt of approximately \$1,383,590 and approximately \$700,000 of Sterling's total debt of approximately \$5.1 million. The \$700,000 amount assumes Sterling would realize \$2.7 million from the liquidation of the Vancouver store and \$1.7 million from the sale of the Lakewood store.	0

**Exhibit 8**  
**LIQUIDATION ANALYSIS**

#8	Lease real estate Own equipment	0 <sup>1</sup> \$102,591 <sup>2</sup>	0	\$102,591
#9	Own the real estate Own the equipment	\$1,800,000 <sup>5</sup> \$95,000 <sup>6</sup>	\$3,400,000, see discussion regarding store #7 above \$1,573,878	0
#10	Debtor owns the building subject to ground lease, Owns the equipment	\$450,000 <sup>3</sup>	\$847,808	0
#11	Debtor owns the building subject to ground lease, Owns the equipment	\$600,000 <sup>3</sup>	\$1,038,563	0
#12	Leases the real property Owns the equipment	0 <sup>1</sup> \$40,000 <sup>7</sup>	\$130,132	0
#13	Debtor owns the building subject to ground lease, Owns the equipment	\$450,000 <sup>3</sup>	\$1,095,682	0
#14	Leases the real property Owns the equipment	0 <sup>1</sup> \$138,555 <sup>2</sup>	\$2,135,000	0
#15	Debtor owns the building subject to ground lease Owns the equipment	\$1,025,000 <sup>3</sup>	\$1,339,671	0
#17	Lease building Owns equipment	0 <sup>1</sup> \$166,348 <sup>2</sup>	\$1,841,000	0
#18	Debtor owns the building subject to ground lease, Owns the equipment	\$500,000 <sup>5</sup> \$140,000 <sup>2</sup>	\$1,395,000 \$857,411	0
#19	Owns the real estate Owns the equipment	\$1,300,000 <sup>5</sup> \$140,000 <sup>2</sup>	\$2,397,526 \$1,093,486	0

**Exhibit 8**  
**LIQUIDATION ANALYSIS**

#20	Owens the real estate Owens the equipment	\$1,700,000 <sup>8</sup>	Approximately \$2.3 million. Assumes Sterling would realize \$2.7 million from liquidation of Vancouver store and approximately \$97,000 from liquidation of the equipment at the Medford store because Sterling's interest in the real estate at Medford is subordinate to KeyBank's interest.	0
#21	Debtor owns the building subject to ground lease, Owens the equipment	0 <sup>9</sup> \$168,812 <sup>2</sup>	\$2,750,000 \$1,182,086	0
#99	Owens the real estate Owens the equipment	\$350,000 <sup>5</sup>	\$56,811	\$294,000
---	Cash	\$325,000 <sup>10</sup>	\$673,000 - \$985,000 <sup>11</sup>	0
---	Inventory <sup>12</sup>	0	Various	0
<b>TOTAL</b>				<b>\$719,239 – \$744,439</b>

<sup>1</sup> Debtor assumes that a Chapter 7 trustee will not pay rent for a closed restaurant and since lease rent is not below market rent, lease will be rejected.

<sup>2</sup> Jim Balis of RMG states that the liquidation value of restaurant equipment and furnishings averages between 10% and 15% of original cost. This is confirmed by the appraisal of the equipment at the Vancouver store performed for the SBA which produced a liquidation value of 12% of cost. That 12% number is used to calculate the liquidation value of the equipment for all stores other than 9, 10, 11, 12, 13, 15 and 20.

<sup>3</sup> Broker's opinion of liquidation value of fully equipped restaurant building.

**Exhibit 8**  
**LIQUIDATION ANALYSIS**

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<sup>4</sup> Value of real estate from appraisal performed for KeyBank.

<sup>5</sup> Based on broker's opinion

<sup>6</sup> Value of equipment is from appraisal performed for SBA.

<sup>7</sup> Gross liquidation value of equipment, before costs of sales, provided by KeyBank's liquidator.

<sup>8</sup> Agreed liquidation value with Sterling Savings Bank.

<sup>9</sup> Based on broker's opinion that building has no value because the rent which would be paid to lease the building is approximately equal to amount of ground rent.

<sup>10</sup> Estimated cash after payment of all administrative expenses including closing payroll and payroll related benefits, vendor invoices to be paid in the ordinary course and estimated professional fees.

<sup>11</sup> US Bank's setoff claim.

<sup>12</sup> Debtor's assumption is that inventory has no value in a liquidation because it is perishable and/or non-transferable.

**CERTIFICATE OF SERVICE**

I hereby certify that I served the foregoing **DEBTOR'S FIRST AMENDED DISCLOSURE STATEMENT (June 8, 2010)** on the parties indicated as "ECF" on the attached List of Interested Parties by electronic means through the Court's Case Management/Electronic Case File system on the date set forth below.

In addition, I served the foregoing on the parties indicated as "Non-ECF" on the attached List of Interested Parties:

- ☒ by mailing a copy thereof in a sealed, first-class postage prepaid envelope, addressed to each attorney's last-known address and depositing in the U.S. mail at Portland, Oregon on the date set forth below;
- ☐ by causing a copy thereof to be hand-delivered to said attorneys at each attorney's last-known office address on the date set forth below;
- ☐ by sending a copy thereof via overnight courier in a sealed, prepaid envelope, addressed to each attorney's last-known address on the date set forth below; or
- ☐ by faxing a copy thereof to each attorney at his last-known facsimile number on the date set forth below.

DATED: June 8, 2010.

TONKON TORP LLP

By /s/ Leon Simson

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**LIST OF INTERESTED PARTIES**

*In re: McGrath's Publick Fish House, Inc.,*  
**U.S. Bankruptcy Court Case No. 10-60500-fra11**

**ECF PARTICIPANTS**

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